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UNITED STATES DISTRICT COURT
TERRITORY OF GUAM

UNITED STATES OF AMERICA, Plaintiff, v. GUAM WATERWORKS AUTHORITY and the GOVERNMENT OF GUAM, Defendants.	CIVIL CASE NO. 02-00035 **STIPULATED ORDER FOR PRELIMINARY RELIEF**

WHEREAS, the United States of America filed a civil action seeking injunctive relief and the assessment of civil penalties against the Guam Waterworks Authority ("GWA") under the Clean Water Act, 33 U.S.C. §§ 1251 - 1387 (the "CWA"), and the Safe Drinking Water Act, 42 U.S.C. §§ 300f - 300j-26 (the "SDWA");

WHEREAS, GWA is a public corporation that has the authority to produce, treat, transmit, store, distribute, and sell water on Guam, as well as the authority to collect, treat, and sell or dispose of wastewater on Guam;

WHEREAS, GWA owns and operates five sewage treatment plants on Guam that are subject to the conditions and limitations contained in National Pollutant Discharge Elimination System ("NPDES") Permit Nos. GU0020087, GU0020222, GU0020095, GU0020141, and GU0020273 issued by the U.S. Environmental Protection Agency ("EPA") pursuant to the CWA;

WHEREAS, GWA owns and operates wastewater collection and conveyance systems, including approximately 75 sewage pump stations, that transport raw sewage to its sewage treatment plants;

WHEREAS, the NPDES permits require GWA at all times to properly operate and maintain all facilities and systems of treatment and control (and related appurtenances) that are installed or used to achieve compliance with the conditions of the permits;

WHEREAS, the Government of Guam is identified as a defendant as required by CWA Section 309(e), 33 U.S.C. § 1319(e);

WHEREAS, GWA owns and operates three public water systems that supply drinking water for the majority of the population of Guam: the Northern, Central, and Southern Systems;

WHEREAS, GWA's public water systems are required to comply with the National Primary Drinking Water Regulations under the SDWA, including the Maximum Contaminant Levels for microbiological contaminants and the treatment technique for turbidity;

WHEREAS, the United States sought in its Complaint both a preliminary and permanent

injunction as well as the appointment of a receiver to address issues of compliance in GWA's Publicly Owned Treatment Works ("POTW") and three public water systems;

WHEREAS, the parties agree that entry of this Stipulated Order for Preliminary Relief is the most appropriate way to require the immediate implementation of short-term projects and initial planning measures by GWA and the Government of Guam (jointly "Defendants") to begin to address issues of compliance at GWA's POTW and three public water systems;

WHEREAS, the Guam Public Utilities Commission issued an Order on April 10, 2003 (see Attachment A to this Stipulated Order), renewing its commitment to provide GWA in a timely manner with adequate rate relief to enable GWA to comply with an EPA-approved strategic plan in a prudent and reasonable manner;

WHEREAS, the parties contemplate entering into a further stipulation to address additional compliance issues after Defendants' completion of the initial planning measures set out in this Stipulated Order for Preliminary Relief;

THEREFORE, before taking testimony or adjudicating any issue of fact or law, and without any finding or admission of liability against or by GWA or the Government of Guam;

IT IS ORDERED, ADJUDGED, AND DECREED as follows:

I. Submittals by Defendants

1. Compliance Monitor: Within ten days after the date of entry of this Stipulated Order for Preliminary Relief by the Court (hereinafter the "Entry Date"), GWA shall appoint one individual whose primary responsibility will be to coordinate and report on all compliance activities and deliverables required by this Stipulated Order for Preliminary Relief. Within 20 days after the Entry Date, GWA shall provide notice to EPA listing the individual's name, address, telephone and fax numbers, and e-mail address. If GWA appoints a new person as compliance monitor, GWA shall provide contact information about the new compliance monitor to EPA within 10 working days after the appointment.

2. EPA Approval of Plans and Other Submittals: After review of any plan, program,

report or other item required to be submitted for approval under this Stipulated Order for Preliminary Relief, EPA shall submit to Defendants in writing either an approval or detailed comments explaining why EPA does not approve the plan, program, report or other submittal. Defendants shall have 30 days from receipt of EPA's comments to submit a revised plan, program, report or other submittal that fully addresses and responds to EPA's comments unless a longer time period is agreed upon by all parties. Defendants shall use their best efforts to incorporate EPA's comments to the extent practicable. Representatives of the parties shall make themselves available during the comment period to informally discuss questions and comments on any documents. Defendants' failure to respond to EPA's comments shall constitute a violation of this Stipulated Order for Preliminary Relief. The procedures of this Paragraph shall also apply to any revised plan, program, report, or other submittal.

II. Management and Organizational Structure of GWA

3. General Manager: Within ten days after the Entry Date, the Consolidated Commission on Utilities ("CCU") shall advertise to hire a full-time General Manager at GWA. At a minimum, the General Manager shall have the following qualifications: (1) a Masters degree in Management, Engineering, Finance, or Public Administration, or, in the alternative, a Bachelor's degree and registration as a Professional Engineer pursuant to the National Council of Engineering Examiners standards in either the Civil, Mechanical, or Electrical Branch; (2) at least ten years of combined senior management experience at drinking water and wastewater utilities, with experience in both areas; (3) proven management and communication skills; (4) demonstrated ability to lead, motivate, and develop staff; (5) experience with planning, design, and construction of major wastewater or drinking water infrastructure projects; and (6) knowledge and experience with: a) drinking water or wastewater engineering, b) user fee system development, c) bond funding, d) staff training and development, and e) federal drinking water and wastewater requirements. The CCU shall use its best efforts to hire a qualified General Manager within 90 days after the Entry Date.

4. Chief Engineer: Within 40 days after the Entry Date, the CCU shall advertise to hire a full-time Chief Engineer at GWA. At a minimum, the Chief Engineer shall have the following qualifications: (1) registered professional civil, mechanical or electrical engineer; (2) ten or more years of professional engineering experience; and (3) fully competent and proficient in planning, design, construction, and operation of wastewater treatment facilities, drinking water disinfection systems, wells, and drinking water distribution and transmission systems. If possible, the applicant shall also have experience in wastewater collection systems and surface water treatment systems. The CCU shall use its best efforts to hire a qualified Chief Engineer within 120 days after the Entry Date.

5. Chief Financial Officer: Within 60 days after the Entry Date, the CCU shall advertise to hire a full-time Chief Financial Officer at GWA that has the appropriate qualifications (e.g., Certified Public Accountant or Certified Management Accountant) and experience. The CCU shall use its best efforts to hire a qualified Chief Financial Officer within 150 days after the Entry Date. The Chief Financial Officer may perform duties for the Guam Power Authority pursuant to the Chief Financial Officer's employment agreement with the CCU.

6. General Manager's Authority: In order to allow GWA to operate as an independent agency, the Chief Financial Officer shall be under the direct supervision of GWA's General Manager. Within 30 days after the Entry Date, Defendants shall provide a report to EPA on any legal and administrative barriers preventing GWA's General Manager from directly supervising GWA's Chief Financial Officer, and recommend a course of action, including proposed legislation or administrative measures, to deal with this issue. Within 30 days after receipt of EPA's comments on the report, Defendants shall respond to EPA's comments in accordance with Paragraph 2 and shall take action to address this issue, including submitting proposed legislation to the Guam Legislature and/or implementing required administrative measures. The CCU reserves the right to review all decisions made by the General Manager with respect to the Chief Financial Officer.

7. Conflict of Interest Provision: GWA may enter into a service contract with a third party (such as an engineering or consulting firm or a contract employment firm) to permanently or temporarily fill GWA's staff vacancies. In order to avoid potential conflicts of interest that may arise in that situation, GWA shall not engage in any business other than staffing services with that third party (and any related corporate or business entities) for the duration of the service contract. After the Entry Date, all contracts used to fill new positions on a permanent or temporary basis at GWA shall be limited to either of the following: (1) a contract between GWA and the individual hired; or (2) a contract between GWA and a third party that agrees to provide no other service to GWA except for staffing services for the duration of the service contract.

8. Certification of Operators in Direct Responsible Charge ("DRC Operators"): Within 180 days after the Entry Date, GWA shall ensure that DRC Operator positions are staffed by operators who have obtained certification at the level required for that position by the Guam Environmental Protection Agency's ("Guam EPA") "Water and Wastewater Systems Classification" memorandum dated October 17, 2002. If current DRC Operators at GWA are not certified at the required level, GWA shall, within ten working days after the Entry Date, notify those employees that they have 180 days after the Entry Date to obtain the required certification. If an employee does not obtain the required certification within 180 days after the Entry Date, GWA shall transfer the employee and fill the position with a properly certified DRC Operator.

9. GWA Reorganization: GWA shall complete a full reorganization according to the following schedule. Within 90 days after the Entry Date, GWA shall submit to EPA and Guam EPA a draft reorganization plan that proposes a new structure for GWA to ensure that GWA is most capable of completing its mission. For each work unit, the draft plan shall provide at a minimum: a description of work functions, the numbers of employees, and a summary of certifications and qualifications needed for each category of employee. Within 30 days after receipt of EPA's comments on the draft plan, GWA shall respond to EPA's comments in accordance with Paragraph 2 and provide a final reorganization plan to EPA and Guam EPA.

Within 90 days after GWA has prepared a final reorganization plan, GWA shall submit to EPA and Guam EPA a draft report containing position descriptions and minimum job qualifications that meet industry standards and Guam laws for each position in the new organization. Within 30 days after receipt of EPA's comments on the draft report, GWA shall respond to EPA's comments in accordance with Paragraph 2 and shall provide a final report to EPA and Guam EPA.

Within 90 days after GWA has provided a final reorganization plan, GWA shall also submit to EPA and Guam EPA a draft Staffing Plan Report that includes the following information: (1) an evaluation of current staff resources at GWA and a discussion of where new hires or retraining will be needed to staff the new organization; (2) a timetable for implementation of staffing measures; and (3) procedures for the transferring of staff and staff reductions (and recommended legislation to enable such changes) as necessary. The draft Staffing Plan Report shall require: (1) all positions in the reorganization of GWA shall be filled with an employee qualified at the minimum level required for that position within 180 days after the final Staffing Plan Report has been issued; and (2) when GWA hires a new employee to fill a position, that employee must be properly qualified for the position at the time of hire. EPA will review the draft Staffing Plan Report and may require changes, additions, deletions or modifications it deems necessary to ensure proper operation and maintenance of GWA's POTW and public water systems. Within 30 days after receipt of EPA's comments on the draft report, GWA shall respond to EPA's comments in accordance with Paragraph 2 and shall provide the final Staffing Plan Report to EPA and Guam EPA. GWA shall implement the Staffing Plan Report's measures in accordance with the timetable in the final Staffing Plan Report. If current employees are not certified at the required level, GWA shall notify such employees within ten working days after the final Staffing Plan Report has been issued.

III. Operations at GWA

10. Drinking Water and Wastewater Master Plan: Within 30 days after the Entry

Date, GWA shall prepare a draft scope of work and a draft Request for Proposals ("RFP") for the preparation of a Drinking Water and Wastewater Master Plan ("Master Plan") and submit them to EPA for approval. GWA shall provide a copy of the documents concurrently to Guam EPA. EPA will review the draft scope of work and RFP and may require any changes, additions, deletions or modifications it deems necessary. Within 30 days after receipt of EPA's comments, GWA shall respond to EPA's comments in accordance with Paragraph 2 and shall submit a final scope of work and RFP to EPA and Guam EPA. GWA shall advertise the RFP for the preparation of the Master Plan nationally.

Within 60 days after submitting the final RFP to EPA and Guam EPA, GWA shall provide a list of at least five qualified offerors, including the qualifications of each offeror, to EPA and Guam EPA. EPA will provide written notice of the names of any offeror(s) that it disapproves and an authorization to proceed with any of the other offerors. GWA may select any offeror from that list that is not disapproved and may award the contract to that offeror. GWA shall select and retain one of the qualified offerors within 45 days after obtaining EPA's authorization to proceed, shall notify EPA and Guam EPA of the name of the contractor, and shall begin to prepare the Master Plan (the "Commencement Date").

GWA shall develop a Master Plan that includes:

(1) A comprehensive analysis, using as a guideline the "10 States Standards" as they apply to wastewater, of wastewater treatment, collection, and conveyance systems, improvement alternatives, and needs for the next twenty years. The Master Plan shall include an infiltration and inflow assessment of GWA's wastewater collection systems sufficient to identify and prioritize problem areas. The Master Plan shall also include an assessment of the following: septic system hookup needs and alternatives, decentralized treatment systems, consolidation with the U.S. military's wastewater systems, biosolids management and re-use, and an analysis of costs and other impacts.

(2) A comprehensive analysis, using as a guideline the Hawaii Water Standards of 2002, of public water system improvement alternatives and needs for the next twenty years that addresses disinfection, system pressure, surface water and groundwater resources, treatment needs (including any drinking water well needing treatment due to a determination that the well uses a groundwater source under the direct influence of surface water), transmission and distribution system improvements, potential consolidation with the U.S. military's systems, and water re-use.

(3) A comprehensive analysis of the costs and benefits of water conservation on Guam.

(4) An evaluation of necessary process control system improvements, including a Supervisory Control and Data Acquisition ("SCADA") system, information management systems, telemetry, and other applicable types of automation.

(5) A financial plan that details how revenue will be generated. The financial plan shall include a user fee system, including fees for services such as sewer connection fees. The user fees shall be based on actual water usage, estimated wastewater generation, and actual costs of services provided. GWA shall coordinate with the Public Utilities Commission ("PUC") to ensure that: (1) GWA complies with the public notification requirements for proposed rate increases in 12 GCA §§ 12001.1, 12001.2; and (2) GWA's filings for rate increases are made in accordance with applicable PUC regulations.

(6) A detailed five-year plan for financing the continued operation, maintenance, and repair of the POTW and three public water systems, including: (a) an estimated annual budget for each of the next five years for all costs of operating, maintaining, and repairing the POTW and three public water systems, including the establishment and maintenance of the Financial Reserves listed in Paragraph

32 below; and (b) a detailed descriptive plan for raising sufficient revenue to meet the projected costs as outlined in the annual budgets, including adjustments or increases in user fees, taxes, assessments or other sources of revenue. Revenues shall be sufficient to cover all compliance activities and deliverables required by this Stipulated Order for Preliminary Relief, as well as any other anticipated expenses, including any measures necessary to ensure compliance with the CWA and SDWA, costs related to the infrastructure improvements recommended in the Master Plan, all related operations and maintenance costs, and corresponding utility expenses, including maintenance of all required Financial Reserves listed in Paragraph 32 below.

The following five tasks shall be completed as part of the Master Plan. Within the designated time for completing each task, GWA shall submit a written draft to EPA for review and approval. GWA shall provide a copy of each draft concurrently to Guam EPA. Within 30 days after receipt of EPA's comments, GWA shall respond to EPA's comments in accordance with Paragraph 2 and shall provide the final written product to EPA and Guam EPA. The schedule for these tasks is the following:

(1) Within 180 days after the Commencement Date, GWA shall complete a leak detection study for all three public water systems.

(2) Within 240 days after the Commencement Date, GWA shall complete an estimated water budget that quantifies and describes how and where water is produced and utilized on Guam.

(3) Within 270 days after the Commencement Date, GWA shall locate, map, and develop Geographical Information System ("GIS") layers for all of the following: treatment facilities, wells, water lines greater than or equal to six inches in diameter, collection system, pump stations, septic tanks, and GWA's and Guam EPA's water quality monitoring stations.

(4) Within one year after the Commencement Date, GWA shall perform a hydraulic analysis of the three public water systems and develop a hydraulic model of the systems.

(5) Within 540 days after the Commencement Date, GWA shall locate, map, and develop GIS layers for all of the following (not included in subparagraph (3) above): all other water lines, wastewater laterals, and all septic tanks over the Northern Guam Sole Source Aquifer.

The Master Plan shall be completed according to the following schedule:

(1) Within 540 days after the Commencement Date, GWA shall complete a draft Master Plan and shall provide a copy of it to EPA and Guam EPA. Upon completion, GWA shall issue a press release and publish notice in a local newspaper, indicating that the draft Master Plan is available for public review at convenient locations (such as public libraries on Guam and GWA's website) and announcing the date and location of any public meeting to discuss the Plan. The draft Master Plan shall be made available for public comment for at least 45 days. During the public comment period, GWA shall hold at least one public meeting. GWA shall issue the public notice at least 30 days before the date of the public meeting.

(2) Within 630 days after the Commencement Date, GWA shall complete a final Master Plan and shall address all significant comments raised during the public comment period in its final Master Plan. GWA shall provide the final Master Plan to EPA and Guam EPA and shall perform the required tasks in accordance with the schedule set out in the final Master Plan.

11. Interim Disinfection Program: GWA shall develop an interim disinfection program for its three public water systems to ensure that the water being provided to the public is adequately disinfected by chlorination. In order to ensure optimal chlorination and disinfection,

the interim disinfection program shall require that: (1) the optimal levels of chlorine residual, as measured in parts per million ("ppm") or milligrams per liter, is met at all times at all chlorination points, taking into consideration the contact time (in minutes) of the chlorine with the water in the distribution system prior to reaching the first consumer ("CT value"); and (2) a minimum level of chlorine residual of at least 0.2 ppm is maintained at all points in the drinking water distribution system at all times.

The interim disinfection program shall include a detailed description of the existing chlorination practices including, but not limited to: (1) the locations of all existing chlorination points for each public water system, including chlorination points at the Ugum surface water treatment plant, chlorination points at the wellheads for the groundwater systems, and other distribution system chlorination points; (2) the locations of any proposed immediate additional wellhead and/or distribution system chlorination points; (3) the estimated contact time between the chlorine and water in the distribution system before the water reaches the first consumer (i.e., the closest connection in the distribution system) for each chlorination point; (4) actual chlorine dosing levels (in ppm) at each chlorination point; and (5) actual CT value for each chlorination point (where CT is defined as chlorine residual level in ppm multiplied by the contact time in minutes prior to the first consumer). Based on the information included in subparagraphs (1) through (5), the interim disinfection program shall include recommendations regarding the following: (6) the optimal possible chlorine dosing levels (in ppm) to apply at each individual chlorination point (taking into account the contact time available before the first consumer); and (7) the optimal CT value for all chlorination points. The interim disinfection program shall propose short-term changes to GWA's chlorination practices to improve disinfection that can be accomplished within one year after the Entry Date.

Within 90 days after the Entry Date, GWA shall submit the interim disinfection program to EPA for approval. GWA shall provide a copy of the document concurrently to Guam EPA. Within 30 days after receipt of EPA's comments, GWA shall respond to EPA's comments in

accordance with Paragraph 2, shall provide the final program to EPA and Guam EPA, and shall implement the program. GWA shall update the interim disinfection program annually and as needed to reflect the development of other compliance activities and deliverables required by this Stipulated Order for Preliminary Relief, shall provide its updates to EPA for its review and approval, and shall provide a copy to Guam EPA.

12. Interim Chlorine Residual Level Monitoring Program: GWA shall develop an interim chlorine residual level monitoring program for its three public water systems to ensure that: (1) optimal chlorine levels are maintained at all chlorination points, taking into account contact time prior to the first consumer after the chlorination points; and (2) a minimum chlorine level is maintained throughout the distribution system. The monitoring program shall contain a detailed description of the following: (1) the locations and frequency of all chlorine residual monitoring necessary in order to ensure that the optimal applied chlorine dose (as specified in subparagraph (6) of the interim disinfection program in Paragraph 11) and optimal CT's (as specified in subparagraph (7) of the interim disinfection program in Paragraph 11) are maintained at all chlorination points at all times; and (2) the locations and frequency of chlorine residual monitoring necessary to ensure that a minimum level of chlorine residual of at least 0.2 ppm is maintained throughout the distribution system at all times. The proposed monitoring shall consist of either continuous, online, automated chlorine residual monitoring or grab samples to be collected and analyzed in the field. The proposed monitoring program shall ensure that those wells that are at the highest risk of fecal bacteriological contamination (i.e., those wells with a historical record of fecal coliform or *E. coli* bacteriological contamination at the well) have the highest level of monitoring. Monitoring for such wells shall consist of continuous, online chlorine residual monitoring with either automatic flow shutoff or an alarm system. The automatic flow shutoff or alarm shall be triggered by detections of chlorine levels lower than the optimal applied chlorine dose (as specified in subparagraph (6) of the interim disinfection program in Paragraph 11).

Within 90 days after the Entry Date, GWA shall submit the monitoring program to EPA for approval. GWA shall provide a copy of the document concurrently to Guam EPA. Within 30 days after receipt of EPA's comments, GWA shall respond to EPA's comments in accordance with Paragraph 2, shall provide the final program to EPA and Guam EPA, and shall implement the program. GWA shall update the interim chlorine residual level monitoring program annually and as needed to reflect the development of other compliance activities and deliverables required by this Stipulated Order for Preliminary Relief, shall provide its updates to EPA for its review and approval, and shall provide a copy to Guam EPA.

13. Leak Detection and Response Program: GWA shall develop a program for identifying and responding to leaks in the three public water systems. Within 180 days after the Entry Date, GWA shall submit the proposed program to EPA for approval. GWA shall provide a copy of the document concurrently to Guam EPA. Within 30 days after receipt of EPA's comments, GWA shall respond to EPA's comments in accordance with Paragraph 2, shall provide the final program to EPA and Guam EPA, and shall implement the program.

14. Water Meter Improvement Program: GWA shall develop a water meter improvement program to ensure that, within 3 years after the Entry Date, each connection to the three public water systems has an accurate and accessible water meter that is read monthly and used for billing. Within 90 days after the Entry Date, GWA shall submit the program to EPA for approval. GWA shall provide a copy of the document concurrently to Guam EPA. Within 30 days after receipt of EPA's comments, GWA shall respond to EPA's comments in accordance with Paragraph 2, shall provide the final program to EPA and Guam EPA, and shall implement the program.

15. Parts Inventory for POTW and Public Water Systems: Within 180 days after the Entry Date, GWA shall develop and maintain a 60-day operation and maintenance parts inventory for its POTW and public water systems that includes any spare parts that may reasonably be needed, and shall provide EPA and Guam EPA with a written list of the parts

inventory. The inventory need not include any parts for which GWA has a written guarantee of their availability within four days of a request. GWA shall provide a written report to EPA and Guam EPA within 180 days after the Entry Date on the adequacy of its parts inventory, including written guarantees of availability. On or before January 28 and July 28 of each year, GWA shall provide a semiannual written report to EPA and Guam EPA regarding the adequacy of its parts inventory.

16. Routine Maintenance and Repairs for POTW and Public Water Systems: Within 180 days after the Entry Date, GWA shall: (1) provide EPA and Guam EPA with a written report describing the minimum tools and equipment needed for each facility and maintenance area in its POTW or three public water systems to handle any routine maintenance or repair work; and (2) ensure that each facility and maintenance area in its POTW or three public water systems has the necessary tools and equipment. At a minimum, GWA shall ensure that the following systems are included in the report and have the necessary tools and equipment: sewage treatment plants, wastewater collection systems, wastewater conveyance systems (including the sewage pump stations), water treatment plant, water distribution systems, drinking water wells, and chlorination systems.

17. Standby Generators: GWA shall ensure that working, appropriately sized, standby generators are available for all wastewater pump stations, treatment plants, and wells that are critical to the three public water systems. Within 90 days after the Entry Date, GWA shall submit a list to EPA for approval, indicating the size of the standby generator for each pump station, treatment plant or well and the schedule of compliance. GWA shall provide a copy of the document concurrently to Guam EPA. Within 30 days after receipt of EPA's comments, GWA shall respond to EPA's comments in accordance with Paragraph 2 and shall provide the final list to EPA and Guam EPA. Within 2 years after the Entry Date, GWA shall supply standby generators for all critical wells, wastewater pump stations, and treatment plants.

18. Underground Storage Tanks: GWA shall prepare an inventory of its underground

storage tanks, indicating which tanks are no longer in use. For any tank that is no longer in use, GWA shall perform the following temporary closure tasks: (1) empty all materials from the tank to within one inch of the tank bottom; (2) leave vent lines open; and (3) secure all lines, pumps, manways, and ancillary equipment with a lock. Within 90 days after the Entry Date, GWA shall provide the inventory to EPA for review and approval, stating the date that GWA has completed the temporary closure tasks for any tanks no longer in use. GWA shall provide a copy of the document concurrently to Guam EPA. Within 30 days after receipt of EPA's comments, GWA shall respond to EPA's comments in accordance with Paragraph 2, shall provide the final inventory to EPA and Guam EPA, and shall perform any additional required tasks in accordance with the schedule set out in the final inventory.

19. Emergency Response Plan: GWA shall develop an emergency response plan that provides operating procedures for all employees during and following any disasters, including, but not limited to, typhoons and earthquakes. Within 540 days after the Entry Date, GWA shall submit the plan to EPA for approval. GWA shall provide a copy of the document concurrently to Guam EPA. Within 30 days after receipt of EPA's comments, GWA shall respond to EPA's comments in accordance with Paragraph 2, shall provide the final plan to EPA and Guam EPA, and shall implement the plan.

20. Preventive Maintenance Program: GWA shall develop a preventive maintenance program for the POTW and public water systems that details required maintenance, schedules, standard procedures, tracking, and reporting. At a minimum, GWA shall develop preventive maintenance programs for the following systems: sewage treatment plants, wastewater collection systems, wastewater conveyance systems (including the sewage pump stations), water treatment plant, water distribution systems, drinking water wells, and chlorination systems. Within one year after the Entry Date, GWA shall submit the program to EPA for approval. GWA shall provide a copy of the document concurrently to Guam EPA. Within 30 days after receipt of EPA's comments, GWA shall respond to EPA's comments in accordance with Paragraph 2,

shall provide the final program to EPA and Guam EPA, and shall implement the program. GWA shall update the program annually and as needed to reflect the development of other compliance activities and deliverables required by this Stipulated Order for Preliminary Relief, shall provide its updates to EPA for its review and approval, and shall provide a copy to Guam EPA.

21. Operations and Maintenance Manuals: GWA shall develop a set of comprehensive Operations and Maintenance Manuals for its POTW and public water systems. At a minimum, GWA shall develop Operations and Maintenance Manuals for the following systems: sewage treatment plants, wastewater collection systems, wastewater conveyance systems (including the sewage pump stations), water treatment plant, water distribution systems, drinking water wells, and chlorination systems. Within 180 days after the Entry Date, GWA shall submit to EPA a schedule for completing the manuals and submitting them to EPA for approval. GWA shall provide a copy of the document concurrently to Guam EPA. All manuals shall be completed and submitted to EPA and Guam EPA within 2 years after the Entry Date. The manuals shall include: (1) information on all relevant process design assumptions such as design flows, pump capacities, detention times, surface loadings, oxygen transfer requirements, disinfection requirements, water transmission requirements, simplified schematic diagrams of pipelines and control systems, and detailed diagrams for more complicated components; (2) unit process information, including control measures and monitoring procedures needed to achieve maximum efficiency and reliability and a clear explanation of process functions of various components with simplified language and references to appropriate technical manuals; (3) start-up and shutdown procedures; (4) maintenance schedules; (5) laboratory test procedures, including the necessary quality assurance and reporting requirements; (6) safety procedures; (7) organizational structure, job descriptions, and duties; (8) administrative procedures for purchase order preparation approvals and budget preparation; and (9) an operating plan for emergencies. Within 30 days after receipt of EPA's comments, GWA shall respond to EPA's comments in accordance with Paragraph 2, shall provide a copy of the final manuals to EPA and

Guam EPA, shall distribute the manuals to the appropriate employees, and shall require use of the manuals as part of its standard operating procedures for its POTW and public water systems. GWA shall update the manuals as needed to reflect the development of other compliance activities and deliverables required by this Stipulated Order for Preliminary Relief, shall provide its updates to EPA for its review and approval, and shall provide a copy to Guam EPA.

22. GWA's Authority: In order to function properly and efficiently as an independent agency, GWA needs to have the ability to independently: administer financial accounts, make personnel changes, and procure equipment and services (including both engineering services and the direct procurement of services or supplies from off-island companies). Within 30 days after the Entry Date, Defendants shall provide a report to EPA on any legal and administrative actions necessary to allow GWA to operate independently, and shall recommend a course of action, including proposed legislation or administrative measures, to deal with these issues. GWA shall provide a copy of the document concurrently to Guam EPA. Within 30 days after receipt of EPA's comments on the report, Defendants shall respond to EPA's comments in accordance with Paragraph 2 and shall take action to address these issues, including submitting proposed legislation to the Guam Legislature and/or implementing required administrative measures.

23. Standard Operating Procedures: GWA shall develop: (1) a set of standard operating procedures for the following processes: architectural and engineering services procurement, construction services procurement, and tools and equipment inventory and controls; and (2) procedures for complying with federal and local laws and monitoring compliance. The standard operating procedures shall require GWA to comply with applicable Guam procurement statutes and other applicable local laws. Within 180 days after the Entry Date, GWA shall submit the draft procedures to EPA for review and approval. GWA shall provide a copy of the document concurrently to Guam EPA. Within 30 days after receipt of EPA's comments, GWA shall respond to EPA's comments in accordance with Paragraph 2, shall provide the final procedures to EPA and Guam EPA, and shall implement the procedures.

24. Vulnerability Assessment: Within 180 days after the Entry Date, GWA shall submit a completed vulnerability assessment along with a certification of its completion, as required by Section 1433(a) of the SDWA, to the EPA Administrator in Washington, D.C. GWA shall follow the mailing protocol described in EPA's "Instructions to Assist Community Water Systems in complying with the Public Health Security and Bioterrorism Preparedness and Response Act of 2002," which is located on the EPA website as follows: http://www.epa.gov/safewater/security/util-inst.pdf.

The completed vulnerability assessment should not be sent to EPA Region 9 in San Francisco. Concurrently with the submission of the vulnerability assessment to the EPA Administrator, GWA shall notify EPA pursuant to Paragraph 50 that the requirements of SDWA Section 1433(a) have been met and that GWA is in compliance with Section 1433(a). Within 180 days after the submission of the vulnerability assessment, GWA shall complete an emergency response plan and certify to the EPA Administrator that it has completed the plan in accordance with the requirements of SDWA Section 1433(b) and (c). Within 10 working days after completing the plan, GWA shall also notify EPA pursuant to Paragraph 50 that it has completed the emergency response plan.

25. Trade Organizations: Within 90 days after the Entry Date, GWA shall join the American Waterworks Association and the Water Environment Federation.

IV. Financial Administration at GWA

26. Financial Standard Operating Procedures: GWA shall develop a set of standard operating procedures for the following processes: fiscal management and controls, budgeting, accounting, and financial planning. Within one year after the Entry Date, GWA shall submit a copy of the procedures to EPA for review and approval. Within 30 days after receipt of EPA's comments, GWA shall respond to EPA's comments in accordance with Paragraph 2, shall provide the final procedures to EPA, and shall implement the procedures.

27. Annual Budget: GWA shall submit each approved annual budget to EPA. The

annual budget shall ensure adequate financing of the operation and maintenance of GWA's POTW and three public water systems. The budget shall include, but not be limited to, the following: (1) a budget detailing the total projected costs for the coming year of operating, maintaining, and repairing the POTW and the three public water systems, including staffing, energy, materials and supplies, repairs, replacements, maintaining Financial Reserves required in Paragraph 32 below, and all other expenses; (2) a detailed schedule of user fees, taxes, assessments or other sources of revenue sufficient to meet the projected costs as set forth in the budget for the coming year, including increases or adjustments required to meet that budget; and (3) a financial management plan insuring that all user fees, taxes, assessments or other sources of revenue collected for the POTW and three public water systems are in fact applied to their operation, maintenance, repair, and replacement.

28. Interim Financial Plan: Within 120 days after the Entry Date, GWA shall develop and submit to EPA and the PUC an interim financial plan that details how revenue will be generated for the interim period before the final financial plan in the Master Plan is complete, approved, and implemented. Revenues shall be sufficient to cover the cost of compliance activities and deliverables required by this Stipulated Order for Preliminary Relief, as well as any other anticipated expenses during the period before the final financial plan is approved, including all existing debt and expected debt service, and the buildup of the Financial Reserves required in Paragraph 32 below. The interim financial plan shall include a restructured user fee system. GWA shall coordinate with the PUC to ensure that: (1) GWA complies with the public notification requirements for proposed rate increases in 12 GCA §§ 12001.1, 12001.2; and (2) GWA's filings for rate increases are made in accordance with applicable PUC regulations.

29. Approval of Interim Financial Plan: Within 90 days after GWA submits an interim financial plan, the PUC shall consider and approve an interim financial plan that generates enough revenue to cover the cost of compliance activities and deliverables required by this Stipulated Order for Preliminary Relief, as well as any other anticipated expenses during the

period before the final financial plan is approved, including all existing debt and expected debt service, and the buildup of the Financial Reserves required in Paragraph 32 below. GWA shall submit to EPA the interim financial plan approved by the PUC within ten working days after approval, and shall implement the plan upon approval by the PUC.

30. Approval of Final Financial Plan: Within 90 days after GWA submits a final financial plan in the Master Plan, the PUC shall consider and approve a final financial plan that generates enough revenue to cover the cost of all compliance activities and deliverables required by this Stipulated Order for Preliminary Relief, as well as any other anticipated expenses, including any measures necessary to ensure compliance with the CWA and the SDWA, costs related to the infrastructure improvements identified in the Master Plan, all related operations and maintenance costs, and corresponding utility expenses, including maintenance of all Financial Reserves required in Paragraph 32 below. GWA shall submit to EPA a copy of the final financial plan approved by the PUC within ten working days after approval, and shall implement the plan upon approval by the PUC.

31. Five-Year Plan: On an annual basis, GWA shall submit to EPA a detailed five-year plan for financing the continued operation, maintenance, and repair of the POTW and the three public water systems. Each five-year plan shall include: (1) estimated annual budgets for each of the next five years for all costs of operating, maintaining, and repairing GWA's POTW and three public water systems, including the establishment and maintenance of the Financial Reserves listed in Paragraph 32 below; and (2) a detailed descriptive plan for raising sufficient revenue to meet the projected cost as outlined in the budgets, including adjustments or increases in user fees, taxes, assessments or other sources of revenue. GWA shall submit its first five-year plan to EPA within 2 years after the Entry Date. EPA will review each five-year plan and may request additions, deletions, changes or modifications as it deems necessary to insure adequate funding of the operation, maintenance, and repair of GWA's POTW and three public water systems for the five-year period. Within 30 days after receipt of EPA's comments, GWA shall

respond to EPA's comments in accordance with Paragraph 2 into a final five-year plan, shall provide the final plan to EPA, and shall implement the measures of the plan.

32. Financial Reserves: Within 180 days after the Entry Date, GWA shall begin developing the following Financial Reserves:

(1) Debt Service Reserve - This reserve shall be established and maintained in accordance with bond covenants and debt service covenants. Within 30 days after issuing a bond or securing a loan, GWA shall submit to EPA information regarding the amount of this reserve.

(2) Emergency Operations, Maintenance, Renovation, and Replacement Reserve - This reserve shall be equal to three months of budgeted expenses for operations, maintenance, renovation, and replacement of GWA's POTW and three public water systems. Within 90 days after the Entry Date, GWA shall submit to EPA for approval the proposed amount of this reserve. GWA shall make monthly deposits to the reserve to ensure that the balance matches current needs. The reserve shall be used only to cover operations and maintenance expenses not in the original budget. This reserve can be replaced by the availability of an equivalent emergency line of credit.

The above reserves shall be fully developed within 2 years after the Entry Date and shall be used only for the stated purposes, and only in the event that no other revenue is available to meet the commitments. If GWA draws down on any reserve at any time, it shall rebuild that reserve to the required level within 180 days. On or before January 28 of each year, GWA shall submit an annual report to EPA regarding the development and maintenance of the Financial Reserves required by this Paragraph.

33. Late Payments: GWA shall develop a program that:

(1) clearly defines how late payments will be addressed and when service will be discontinued. GWA shall consider measures such as discontinuing service for any customer that is more than 60 days behind in payments.

(2) provides for a procedure to collect delinquent rates or charges, and to enforce liens, if any, for non-payment of rates or charges, in a practical and timely manner.

Within 90 days after the Entry Date, GWA shall submit the program to EPA for approval. Within 30 days after receipt of EPA's comments, GWA shall respond to EPA's comments in accordance with Paragraph 2, shall provide the final program to EPA, and shall implement the program.

34. Sewer Hook-up Revolving Fund: GWA shall develop a program instituting a sewer hook-up revolving fund for residents currently required to connect to the wastewater collection system. The program shall be designed to allow residents to spread hook-up costs (including utility fees) over two or more years at low or no interest. GWA shall use, at a minimum, funds provided by the Guam EPA Water Planning Committee. Within 540 days after the Entry Date, GWA shall submit the program to EPA for approval. Within 30 days after receipt of EPA's comments, GWA shall respond to EPA's comments in accordance with Paragraph 2, shall provide the final program to EPA, and shall implement the program.

V. Construction and Rehabilitation Projects at GWA

35. Agana Ocean Outfall: GWA shall develop: (1) a schedule for submitting pre-final (90 percent) and final (100 percent) ocean outfall extension designs and detailed construction schedules for the Agana Sewage Treatment Plant ("STP"); and (2) a scope of work and schedule for initiating and completing a baseline monitoring survey in the area of the proposed ocean outfall extension to support GWA's revised CWA Section 301(h) application and to establish a basis for the Agana NPDES monitoring program. The schedule shall require GWA to complete the baseline monitoring survey within 180 days after the Entry Date, and to complete construction of the outfall within 3 years after the Entry Date. The baseline monitoring survey shall include water quality data, quantitative information on the benthic fauna, and sediment quality data in the area of the proposed discharge. This baseline monitoring survey shall be performed similarly to the initial baseline monitoring survey for the proposed ocean

outfall extension. Within 60 days after the Entry Date, GWA shall submit to EPA for review and approval the scope of work and schedules required by this Paragraph. GWA shall provide a copy of the documents concurrently to Guam EPA. Within 30 days after receipt of EPA's comments, GWA shall respond to EPA's comments in accordance with Paragraph 2, shall provide the final scope of work and schedules to EPA and Guam EPA, and shall perform the required tasks in accordance with the schedules set out in the final scope of work.

36. Northern District Ocean Outfall: GWA shall develop: (1) a schedule for submitting pre-final (90 percent) and final (100 percent) ocean outfall extension designs and detailed construction schedules for the Northern District STP; and (2) a scope of work and schedule for initiating and completing a baseline monitoring survey in the area of the proposed ocean outfall extension to support GWA's revised CWA Section 301(h) application and to establish a basis for the Northern District NPDES monitoring program. The schedule shall require GWA to complete the baseline monitoring survey within 180 days after the Entry Date, and to complete construction of the outfall within 3 years after the Entry Date. The baseline monitoring survey shall include water quality data, quantitative information on the benthic fauna, and sediment quality data in the area of the proposed discharge. This baseline monitoring survey shall be performed similarly to the initial baseline monitoring survey for the proposed ocean outfall extension. Within 60 days after the Entry Date, GWA shall submit to EPA for review and approval the scope of work and schedules required by this Paragraph. GWA shall provide a copy of the documents concurrently to Guam EPA. Within 30 days after receipt of EPA's comments, GWA shall respond to EPA's comments in accordance with Paragraph 2, shall provide the final scope of work and schedules to EPA and Guam EPA, and shall perform the required tasks in accordance with the schedules set out in the final scope of work.

37. Assessment of Chaot Wastewater Pump Station and Sewer Collection and Conveyance System: GWA shall retain a qualified engineering firm to perform an engineering assessment of the Chaot/Marine Drive sewer collection and conveyance system (the "Chaot

engineering assessment"). The scope of the Chaot engineering assessment shall include an area sufficiently upstream of the old Chaot sewer pump station to fully assess the capacity and piping of the system to prevent raw sewage overflows at the Chaot sewer pump station and downstream along Routes 4 and 1 to the Agana Main sewer pump station. It shall also include an operational re-evaluation of the new Chaot sewer pump station. The Chaot engineering assessment shall identify any capacity, design, inflow/infiltration, and operational deficiencies, and include the development of a corrective action plan and schedule for implementation. The corrective action plan and schedule shall include, but not be limited to, prioritization of projects, as may be necessary, and time frames for developing a scope of work, completing the design, and commencing and completing construction of all deficiencies identified in the corrective action plan. Within 180 days after the Entry Date, GWA shall submit to EPA for review and approval the Chaot engineering assessment. GWA shall provide a copy of the document concurrently to Guam EPA. Within 30 days after receipt of EPA's comments, GWA shall respond to EPA's comments in accordance with Paragraph 2, shall provide the final Chaot engineering assessment (including the final corrective action plan) to EPA and Guam EPA, and shall perform the required tasks in accordance with the schedule set out in the final corrective action plan. Within 180 days after the final engineering assessment is completed, GWA shall submit to EPA for review and approval the Chaot engineering design. GWA shall provide a copy of the document concurrently to Guam EPA. Within 30 days after receipt of EPA's comments, GWA shall respond to EPA's comments in accordance with Paragraph 2 and shall provide the final Chaot engineering design to EPA and Guam EPA. Construction shall be completed within 540 days after the Chaot engineering design is approved by EPA.

38. Water Transmission Line Construction Plan: GWA shall develop a Water Transmission Line Construction ("WTLC") Plan to ensure its ability to adequately treat its well sources (including disinfection). The WTLC Plan shall include an assessment of the existing well configuration, including a discussion of CT values currently required and currently achieved

under the existing configuration in accordance with the requirements of Paragraph 11 (Interim Disinfection Program). Based on the assessment of the current well configuration, GWA shall make recommendations regarding the need for dedicated transmission lines in its three public water systems, as well as recommendations concerning future treatment, including chlorination/disinfection configurations, for the three public water systems. The WTLC Plan shall prioritize the construction of transmission lines and any necessary chlorination/disinfection configurations to ensure adequate treatment based on the following information about the different parts of the public water systems: (1) the current level of disinfection achieved (the CT values), and (2) the history of bacteriological contamination of the sources, such as the wellfield history. The WTLC Plan shall include a schedule for developing and finalizing a scope of work and design, and commencing and completing construction and upgrades to the water transmission lines and chlorination systems. Within 180 days after the Entry Date, GWA shall submit to EPA for review and approval the WTLC Plan. GWA shall provide a copy of the document concurrently to Guam EPA. Within 30 days after receipt of EPA's comments, GWA shall respond to EPA's comments in accordance with Paragraph 2, shall provide the final WTLC Plan to EPA and Guam EPA, and shall perform the required tasks in accordance with the schedule set out in the final WTLC Plan.

39. Northern District STP Renovation: GWA shall develop an interim corrective action plan and schedule to restore minimum primary treatment operational capacity to the Northern District STP. The interim corrective action plan shall include, but not be limited to, the following: primary clarifiers, preaeration and aerated grit removal systems, and installation of primary sludge pumps. The interim corrective action plan shall also address re-implementation of the biological and receiving water monitoring program required by the Northern District STP's NPDES permit. The schedule shall include time frames for commencing and completing the improvements outlined in the interim corrective action plan within 540 days after the Entry Date. In addition, GWA shall provide a schedule for commencing and completing a design

within 540 days after the Entry Date to fully renovate the North District STP to bring the STP into compliance with its NPDES permit requirements based on the findings of the Comprehensive Performance Evaluation ("CPE") of the Northern District STP prepared for GWA by Duenas & Associates, Inc. and Boyle Engineering Corporation in October 2002. GWA shall perform any additional engineering evaluations, as necessary, to complement the findings of the CPE and address any other deficiencies identified since the completion of the CPE. Within 90 days after the Entry Date, GWA shall submit to EPA for review and approval the interim corrective action plan and schedules required by this Paragraph. GWA shall provide a copy of the documents concurrently to Guam EPA. Within 30 days after receipt of EPA's comments, GWA shall respond to EPA's comments in accordance with Paragraph 2, shall provide the amended interim corrective action plan and schedules to EPA and Guam EPA, and shall perform the required tasks in accordance with the schedules set out in the amended interim corrective action plan.

40. Agana Main Sewage Pump Station Diverter Box: GWA shall develop a schedule for the complete repair of the Agana Main Sewage Pump Station ("SPS") Diverter Box to stop overflows of raw sewage from the diverter box. The schedule shall include time frames for developing and completing a scope of work, design, and construction. The schedule shall require construction to be completed within 180 days after the Entry Date. Within 60 days after the Entry Date, GWA shall submit to EPA for review and approval the schedule required by this Paragraph. GWA shall provide a copy of the document concurrently to Guam EPA. Within 30 days after receipt of EPA's comments, GWA shall respond to EPA's comments in accordance with Paragraph 2, shall provide the final schedule to EPA and Guam EPA, and shall perform the required tasks in accordance with the final schedule.

41. Ugum Surface Water Treatment Plant: GWA shall develop a scope of work and schedule for the rehabilitation, renovation and/or design and construction of new (alternative) treatment facilities of the Ugum Surface Water Treatment Plant to bring the plant into

compliance with SDWA requirements and performance standards.. The scope of work shall detail all rehabilitation, renovation, and/or recommended design and construction of new (alternative) treatment work to be performed based on the findings of the CPE of the Ugum Surface Water Treatment Plant prepared for GWA by Belanger and Associates and International Studies & Training Institute, Inc., in May 2001. The scope of work may include other documentation or studies needed to determine the extent of the rehabilitation and renovation needs of the existing plant, and/or may include alternative water treatment feasibility or preliminary engineering studies deemed by GWA to be necessary to determine if other alternative treatment design and construction projects may be preferable and/or feasible to bring the plant into full compliance with all SDWA requirements. The schedule shall include, but not be limited to, time frames for developing and completing all activities contained in the scope of work, any additional studies needed to determine the preferred course of action (rehabilitation/renovation or alternative treatment design and construction), design, and construction. The schedule shall require construction to be completed within 3 years after the Entry Date. Within 90 days after the Entry Date, GWA shall submit to EPA for review and approval the scope of work and schedule required by this Paragraph. GWA shall provide a copy of the documents concurrently to Guam EPA. Within 30 days after receipt of EPA's comments, GWA shall respond to EPA's comments in accordance with Paragraph 2, shall provide the final scope of work and schedule to EPA and Guam EPA, and shall perform the required tasks in accordance with the schedule set out in the final scope of work.

42. Agana STP Renovation: GWA shall develop an interim corrective action plan and schedule to restore minimum primary treatment operational capacity to the Agana STP. The interim corrective action plan shall include, but not be limited to, the following: primary clarifiers, sludge dewatering centrifuge, and installation of flow measurement. The interim corrective action plan shall also address re-implementation of the biological and receiving water monitoring program required by the Agana STP's NPDES permit. The schedule shall include

time frames for commencing and completing the improvements outlined in the interim corrective action plan within 2 years after the Entry Date. In addition, GWA shall provide a schedule for commencing and completing a design within 2 years after the Entry Date to fully renovate the Agana STP to bring the STP into compliance with its NPDES permit requirements based on the findings of the CPE of the Agana STP prepared for GWA by Duenas & Associates, Inc. and Boyle Engineering Corporation in October 2002. GWA shall perform any additional engineering evaluations, as necessary, to complement the findings of the CPE and address any other deficiencies identified since the completion of the CPE. Within 90 days after the Entry Date, GWA shall submit to EPA for review and approval the interim corrective action plan and schedule required by this Paragraph. GWA shall provide a copy of the documents concurrently to Guam EPA. Within 30 days after receipt of EPA's comments, GWA shall respond to EPA's comments in accordance with Paragraph 2, shall provide the amended interim corrective action plan to EPA and Guam EPA, and shall perform the required tasks in accordance with the schedule set out in the amended interim corrective action plan.

43. Agat, Baza Gardens, and Umatac-Merizo STPs Renovations and/or Expansions: GWA shall develop a schedule for the performance of CPEs of the Agat, Baza Gardens, and Umatac-Merizo STPs to identify performance-limiting factors and recommended improvements needed to bring each of these STPs into compliance with their respective NPDES permit requirements. The CPEs shall be performed by a qualified engineering firm experienced in performing a CPE for wastewater treatment facilities. Each CPE shall be performed in accordance with EPA guidelines for performing a CPE as described in the following publications: *Handbook: Optimizing Water Treatment Plant Performance Using the Composite Correction Program (CCP)* (EPA/625/6-91/027, August 1998); and *Handbook: Improving POTW Performance Using the Composite Correction Program Approach* (EPA-625/6-84-008, October 1984), or a later publication if available. The schedule shall include time frames for the following: developing and completing a scope of work, initiating and completing the CPEs, and

submitting draft and final CPEs for the three STPs within one year after the Entry Date. Within 90 days after the Entry Date, GWA shall submit to EPA for review and approval the schedule required by this Paragraph. GWA shall provide a copy of the document concurrently to Guam EPA. Within 30 days after receipt of EPA's comments, GWA shall respond to EPA's comments in accordance with Paragraph 2, shall provide the final schedule to EPA and Guam EPA, and shall perform the required tasks in accordance with the final schedule.

44. Santa Rita Spring Booster Pump Station Rehabilitation: GWA shall develop a schedule for commencing and completing the design and construction work for the Santa Rita Spring Booster Pump Station rehabilitation. Construction shall be completed within one year after the Entry Date. The design and rehabilitation shall be in accordance with the approved GWA scope of work dated June 21, 2002. Within 60 days after the Entry Date, GWA shall submit to EPA for review and approval the schedule required by this Paragraph. GWA shall provide a copy of the document concurrently to Guam EPA. Within 30 days after receipt of EPA's comments, GWA shall respond to EPA's comments in accordance with Paragraph 2, shall provide the final schedule to EPA and Guam EPA, and shall perform the required tasks in accordance with the final schedule.

45. Rehabilitation/Replacement of Drinking Water Wells: GWA shall develop a Drinking Water Wells Rehabilitation/Replacement ("DWWR") Plan for all of its drinking water wells. The DWWR Plan shall include: (1) a detailed assessment of all of GWA's wells to determine which wells require either rehabilitation or replacement; (2) criteria for prioritizing the rehabilitation or replacement of wells, which will identify the most critical wells, taking into consideration factors such as well capacity, operating records, any historical record of bacteriological contamination at a well, and the presence or imminent threat of bacteriological contamination and other contamination; and (3) time frames for developing and finalizing a scope of work and design, as well as for commencing and completing rehabilitation or replacement of the wells. GWA shall schedule all required work in two phases. The first phase

of work shall focus on the most critical wells identified in the DWWR Plan and shall require rehabilitation and/or replacement of those critical wells within 2 years after the Entry Date. The second phase of work shall include all other wells identified in the DWWR Plan and shall require rehabilitation and/or replacement of those wells within five years after the Entry Date. Within 120 days after the Entry Date, GWA shall submit the DWWR Plan to EPA for review and approval. GWA shall provide a copy of the document concurrently to Guam EPA. Within 30 days after receipt of EPA's comments, GWA shall respond to EPA's comments in accordance with Paragraph 2, shall provide the final DWWR Plan to EPA and Guam EPA, and shall perform the required tasks in accordance with the schedule set out in the final DWWR Plan.

VI. Training at GWA

46. Operator Training: GWA shall develop an operator training program that provides all POTW and public water system operators with information about the proper operation and maintenance of the treatment, disinfection, and conveyance systems. Within 180 days after the Entry Date, GWA shall submit the program to EPA for approval. GWA shall provide a copy of the document concurrently to Guam EPA. Within 30 days after receipt of EPA's comments, GWA shall respond to EPA's comments in accordance with Paragraph 2, shall provide the final program to EPA and Guam EPA, and shall implement the operator training program.

47. Other Training: GWA shall develop an ongoing training program for appropriate staff in at least the following areas: utility management, financial administration, and planning. GWA shall also offer the CCU training on risk mitigation and other appropriate and available Board Trainings. Within one year after the Entry Date, GWA shall submit the program to EPA for approval. GWA shall provide a copy of the document concurrently to Guam EPA. Within 30 days after receipt of EPA's comments, GWA shall respond to EPA's comments in accordance with Paragraph 2, shall provide the final program to EPA and Guam EPA, and shall implement the training program.

VII. Reporting Requirements and Notice Provisions

48. Notice of Noncompliance or Delay: If GWA becomes aware that it will not meet, or it is not likely to meet, any completion date for any compliance activity or deliverable required by this Stipulated Order for Preliminary Relief, or that it is not in compliance with a requirement of this Stipulated Order for Preliminary Relief, GWA shall submit written notification to the United States and EPA within one week of when GWA's General Manager becomes aware of such expected delay or noncompliance. The notice shall contain the following information: a description of the noncompliance or the expected delay, the reason for the noncompliance or the expected delay, an estimate of how much additional time is needed to complete the affected compliance activity or deliverable or to come into compliance, and a statement describing all steps taken to minimize the noncompliance or delay.

49. Compliance Progress Reports: GWA shall submit quarterly compliance progress reports to EPA and Guam EPA and make them available to the general public. The first quarterly progress report shall include a compliance schedule for all compliance activities and deliverables required by this Stipulated Order for Preliminary Relief. Quarterly compliance progress reports shall include, but not be limited to, the following: GWA's progress toward completing compliance activities and deliverables required by this Stipulated Order for Preliminary Relief; reporting of compliance and/or noncompliance with schedules established for specific compliance activities and deliverables; explanations of noncompliance and actions taken or to be taken to address noncompliance; and a brief discussion of the status of efforts toward meeting future compliance schedule activities and deliverables required by this Stipulated Order for Preliminary Relief. When the long-term financial plan is approved by the PUC, GWA shall include an updated compliance schedule in the next quarterly compliance progress report that includes all anticipated construction activities and related construction schedules. The quarterly compliance progress report shall be due on or before January 28, April 28, July 28, and October 28, and shall cover activities in the preceding calendar quarter. The first quarterly compliance

progress report shall be due on the 28th calendar day following the first full quarter after the Entry Date.

50. Except as specified otherwise, when written notification to or communication with GWA, the Government of Guam, EPA, or the United States is required by the terms of this Stipulated Order for Preliminary Relief, it shall be sent via express mail or similar service with a return receipt requested, or, in the alternative, by both fax and e-mail, and addressed as follows:

GWA:

General Manager
Guam Waterworks Authority
P.O. Box 3010
Hagatna, Guam 96932
Phone: (671) 479-7676
Fax: (671) 479-7879
e-mail: gwagm@ite.net

Government of Guam:

Attorney General of Guam
Guam Judicial Center, Suite 2-200E
120 West O'Brien Drive
Hagatna, Guam 96910
Fax: (671) 472-2493
e-mail: law@mail.justice.gov.gu

EPA:

Manager, Pacific Islands Office (CMD-6)
U.S. Environmental Protection Agency, Region 9
75 Hawthorne Street
San Francisco, CA 94105
Fax: (415) 947-3560
e-mail: machol.ben@epa.gov

United States:

United States Attorney
District of Guam
Sirena Plaza
108 Hernan Cortez Ave., Suite 500
Hagatna, Guam 96910
Fax: (671) 472-7215
e-mail: mikel.schwab@usdoj.gov

Section Chief
Environmental Enforcement Section
D.J. Ref 90-5-1-1-06658 (Mullaney)
U.S. Department of Justice

301 Howard Street, Suite 1050
San Francisco, CA 94105
Fax: (415) 744-6476
e-mail: robert.mullaney@usdoj.gov

51. All notices and submissions to EPA shall be signed and affirmed by a responsible official of GWA or the Government of Guam using the following certification statement:

> I certify under penalty of law that I have examined and am familiar with the information submitted in this document and all attachments and that this document and its attachments were prepared either by me personally or under my direction or supervision in a manner designed to ensure that qualified and knowledgeable personnel properly gathered and presented the information contained therein. I further certify, based on my personal knowledge or on my inquiry of those individuals immediately responsible for obtaining the information, that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fines and imprisonment for knowing and willful submission of a materially false statement.

VIII. EPA Access

52. Any authorized representative of EPA, upon presentation of proper identification, shall have a right of entry to GWA's POTW and three public water systems at any reasonable time for the purpose of monitoring compliance with the provisions of this Stipulated Order for Preliminary Relief, including, but not limited to, inspecting equipment, inspecting and copying all records maintained by GWA, and testing and observing all discharges and drinking water. EPA's rights of inspection and entry under this Paragraph are in addition to, and in no way limit, EPA's rights of inspection and entry under the CWA, SDWA, or any other law.

IX. Stipulated Penalties

53. Stipulated Penalties:

a. Defendants shall pay stipulated penalties for failure to meet deadlines specified in this Stipulated Order for Preliminary Relief as specified below:

i. For failure to meet the deadlines specified in Paragraphs 1, 13, 18, 19, 24, 25, 26, 33, 34, 42, 43, 44, 45, and 47:

- $250 per day per violation for the first 30 days, $500 per day per violation for the following 30 days, and $1,000 per day per violation for each day thereafter.

ii. For failure to meet the deadlines specified in Paragraphs 3, 4, 5, 6, 7, 14, 16, 17, 22, 23, 32, 38, 39, 40, and 46:

- $500 per day per violation for the first 30 days, $1,000 per day per violation for the following 30 days, and $2,000 per day per violation for each day thereafter.

iii. For failure to meet the deadlines specified in Paragraphs 8, 9, 10, 11, 12, 15, 20, 21, 27, 28, 29, 30, 31, 35, 36, 37, and 41:

$1,000 per day per day per violation for the first 30 days, $2,000 per day per violation for the following 30 days, and $5,000 per day per violation for each day thereafter.

b. Defendants shall pay stipulated penalties for failure to meet any other requirements of this Stipulated Order for Preliminary Relief as follows:

$250 per day per violation for the first 30 days, $500 per day per violation for the following 30 days, and $1,000 per day per violation for each day thereafter.

54. Stipulated penalties shall begin to accrue on the day after performance is due and shall continue to accrue through the final date of completion even if no notice of the violation is sent to Defendants. Nothing herein shall prevent the simultaneous accrual of separate penalties for separate violations of this Stipulated Order for Preliminary Relief.

55. Any stipulated penalty accruing pursuant to this Stipulated Order for Preliminary Relief shall be payable upon demand and due not later than 30 days after Defendants' receipt of EPA's written demand. Defendants shall pay the amount owed to the United States pursuant to this Stipulated Order for Preliminary Relief by certified or cashier's check in the amount due payable to the "U.S. Department of Justice," referencing DOJ No. 90-5-1-1-07942 and United States Attorney's Office file number 2002V00100, and delivered to the office of the United States Attorney, District of Guam, Attention: Financial Litigation Unit, Suite 500, Sirena Plaza, 108 Hernan Cortez, Hagatna, Guam 96910.

56. The United States may, in the unreviewable exercise of its discretion, reduce or waive stipulated penalties otherwise due it under this Consent Decree.

57. If Defendants fail to pay stipulated penalties owed pursuant to this Stipulated Order for Preliminary Relief within 30 days of receipt of EPA's written demand, Defendants shall pay interest on the late payment for each day after the initial thirty day due date. The rate of interest shall be the most recent interest rate determined pursuant to 28 U.S.C. § 1961.

58. Stipulated penalties are not the Plaintiff's exclusive remedy for violations of this Stipulated Order for Preliminary Relief. The United States expressly reserves the right to seek any other relief it deems appropriate, including, but not limited to, action for statutory penalties, contempt, or injunctive relief against Defendants.

X. Force Majeure

59. Defendants shall perform all requirements of this Stipulated Order for Preliminary Relief in accordance with the time schedules set forth except to the extent, and for the period of time, that such performance is prevented or delayed by events which constitute a force majeure.

60. For the purposes of this Stipulated Order for Preliminary Relief, a force majeure is defined as any event arising from causes beyond the control of Defendants and that cannot be overcome by diligent and timely efforts of Defendants, including their contractors. Economic hardship, lack of a political consensus, normal inclement weather, and increased costs of

performance shall not be considered events beyond the reasonable control of Defendants for purposes of determining whether an event is force majeure. The requirement that Defendants exercise diligent and timely efforts to fulfill their obligations includes using best efforts to anticipate any force majeure event and best efforts to address the effects of any potential force majeure event (1) as it is occurring and (2) following the potential force majeure events, such that delay is minimized to the greatest extent possible.

61. In the event of a force majeure, the time of performance of the activity delayed by the force majeure shall be extended by EPA for the time period of the delay attributable to the force majeure. An extension of one compliance date based on a particular incident does not necessarily result in an extension of a subsequent compliance date or dates. Defendants must make an individual showing of proof regarding each delayed incremental step or other requirement for which an extension is sought. Defendants shall adopt all reasonable measures to avoid or minimize any delay caused by a force majeure.

62. When an event occurs or has occurred that may delay or prevent the performance of any obligation under this Stipulated Order for Preliminary Relief, Defendants shall notify by telephone the Manager, Pacific Islands Office, Region 9, (415) 972-3774, or the Guam Program Manager, Pacific Islands Office, Region 9, (415) 972-3770, within 72 hours of Defendants' knowledge of such event. If Defendants are unable to contact EPA Region 9, Defendants shall notify by telephone the U.S. Attorney's Office for the District of Guam at 472-7332, extension 119 or 121. Telephone notification shall be followed by written notification made within seven days of Defendants' knowledge of the event. The written notification shall fully describe: the event that may delay or prevent performance; reasons for the delay; the reason the delay is beyond the reasonable control of Defendants if they believe the event constitutes a force majeure; the anticipated duration of the delay; actions taken or to be taken to prevent or minimize the delay; a schedule for implementation of any measures to be taken to mitigate the effect of the delay; and the time needed to implement any dependent activities. For purposes of this Section,

Defendants shall be deemed to have knowledge of anything they or their contractors knew or should have known.

63. Failure of Defendants to comply with the force majeure notice requirements provided in Paragraph 62 for any delay in performance will be deemed an automatic forfeiture of their right to assert that the delay was caused by a force majeure.

64. After receiving written notification from Defendants of a force majeure, EPA shall determine whether Defendants' request for delay is justified and EPA shall notify Defendants of its determination in writing. EPA's failure to respond within 30 days to a request for delay by Defendants shall be deemed a denial of that request. If Defendants disagree with EPA's determination, Defendants may initiate dispute resolution procedures pursuant to Section XI (Dispute Resolution).

65. Defendants shall bear the burden of proving that any delay or violation of any requirement of this Stipulated Order for Preliminary Relief was caused by circumstances beyond their control, or any entity under their control, including consultants and contractors, and that Defendants could not have reasonably foreseen and prevented such violation. Defendants shall also bear the burden of proving the duration and extent of any delay or violation attributable to such circumstances.

XI. Dispute Resolution

66. The Dispute Resolution procedures of this Section shall be the exclusive mechanism to resolve disputes arising under or with respect to the Stipulated Order for Preliminary Relief. However, the procedures set forth in this Section shall not apply to actions by the United States to enforce obligations by Defendants under this Stipulated Order for Preliminary Relief that have not been disputed in accordance with this Section.

67. If Defendants dispute any determination made by EPA under this Stipulated Order for Preliminary Relief, Defendants shall send a written notice to EPA and DOJ outlining the nature of the dispute, submitting all supporting information and document relating to the dispute,

describing its proposed resolution, and requesting informal negotiations to resolve the dispute. Such period of informal negotiations shall not extend beyond 15 days from the date when notice was received by EPA and DOJ unless the parties agree otherwise in writing.

68. If the informal negotiations are unsuccessful, the disputed determination by EPA shall control, unless Defendants file a motion with this Court for dispute resolution. Any such motion must be filed within 30 days after termination of informal negotiations and must be concurrently sent to EPA and DOJ. The United States shall then have 30 days to respond to Defendants' motion. In any such dispute resolution proceeding, Defendants bear the burden of proving that EPA was arbitrary and capricious.

XII. Applicability

69. The provisions of this Stipulated Order for Preliminary Relief shall apply to and be binding upon GWA, its officers, agents, employees, trustees, successors, and assigns, the Government of Guam, its elected officials, officers, agents, employees, trustees, successors, and assigns, and the United States, on behalf of EPA.

XIII. General

70. This Stipulated Order for Preliminary Relief is enforceable in all of its terms by the Court.

71. This Stipulated Order for Preliminary Relief is not and shall not be construed as either an NPDES permit or a modification of any existing NPDES permit. By entering into this Stipulated Order for Preliminary Relief, the United States does not warrant in any manner that Defendants' complete compliance with the terms of this Stipulated Order for Preliminary Relief will result in compliance with the provisions of the CWA, the SDWA, and regulations promulgated pursuant to those statutes. Defendants' complete compliance with the terms of this Stipulated Order for Preliminary Relief does not affect or resolve the United States' claims for civil penalties or permanent injunctive relief.

72. This Stipulated Order for Preliminary Relief shall not affect GWA's obligation to

comply with its NPDES permits and with all applicable federal laws, regulations, and permits.

73. This Stipulated Order for Preliminary Relief does not limit or affect the rights of the United States or Defendants against any third parties, nor does it limit the rights of third parties who are not parties to this Stipulated Order for Preliminary Relief. In addition, this Stipulated Order for Preliminary Relief is not to be construed as creating rights or obligations in third parties.

74. Each undersigned representative of Defendants and the Assistant United States Attorney certifies that he is fully authorized to enter into the terms and conditions of this Stipulated Order for Preliminary Relief, to execute the document, and to legally bind the party he represents to this document.

XIV. Modification

75. There shall be no material modifications of this Stipulated Order for Preliminary Relief without the written approval of the parties to this Stipulated Order for Preliminary Relief and the approval of the Court. All non-material modifications, which may include extensions of the time frames and schedules for performance of the terms and conditions of this Stipulated Order for Preliminary Relief, may be made by agreement of the parties and shall be effective upon filing by the United States of such modifications with the Court.

ORDER

IT IS SO ORDERED this 4th day of June, 2003.

/s/ John S. Unpingco
JOHN S. UNPINGCO
United States District Judge

Notice is hereby given that this document was entered on the docket on JUN -5 2003
No separate notice of entry on the docket will be issued by this Court.
Mary L. M. Moran
Clerk, District Court of Guam
By: _____ JUN -5 2003
Deputy Clerk Date

For the United States of America, Plaintiff:

THOMAS L. SANSONETTI
Assistant Attorney General
Environment & Natural Resources Division
ROBERT D. MULLANEY
Environmental Enforcement Section
Environment & Natural Resources Division
United States Department of Justice

FREDERICK A. BLACK
United States Attorney
Districts of Guam and NMI
(671) 472-7332

Dated: 5/20/03

MIKEL W. SCHWAB
Assistant U.S. Attorney

OF COUNSEL:

KAREN PETERSON
Assistant Regional Counsel
U.S. Environmental Protection Agency
75 Hawthorne Street
San Francisco, CA 94105

For Guam Waterworks Authority and the Government of Guam, Defendants:

Dated: 5/20/03

DOUGLAS B. MOYLAN
Attorney General of Guam
Guam Judicial Center, Suite 2-200E
120 West O'Brien Drive
Hagatna, Guam 96910
(671) 475-3324

Dated: 5/20/03

JON A. VISOSKY
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865 South Marine Drive
Tamuning, Guam 96913
(671) 646-1222

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APR 11 2003
Public Utilities Commission
of Guam

BEFORE THE GUAM PUBLIC UTILITIES COMMISSION

GUAM WATERWORKS AUTHORITY
REGULATORY MATTERS

[Miscellaneous Dockets]

ORDER

By this Order, duly considered at the Commission's April 10, 2003 meeting and by the affirmative vote of at least four Commissioners, the Commission takes action on a number of regulatory matters concerning Guam Waterworks Authority *[GWA]*. This Order addresses the following regulatory subjects:

1. **GWA Staffing Study [Docket 01-07].**

On April 2, 2003 the Commission conducted a public hearing to consider Georgetown's staffing study of GWA. The study is mandated by P.L. 26-23 and by the Commission's September 13, 2001 Order. GWA filed no comments regarding the study. After discussion and on motion duly made, seconded and carried, the Commission orders that the study be approved. ALJ is authorized and directed to cause the publication of the study results in accordance with P.L. 26-23. For the record, the Commission notes advice from the Consolidated Commission on Utilities [CCU] that it intends to pursue legislation, which will relieve GPA and GWA from the staffing study requirements of P.L. 26-23.

2. **GWA/Navy Settlement [Docket 00-01].**

CCU has informed the Commission that it is in the final stages of negotiations with Navy regarding the settlement of litigation for amounts owed by GWA to Navy for water services. Under the proposed settlement, GWA would pay Navy $9 million over 105 months with interest. CCU has proposed and requested that the surcharge, which was established by Commission order dated September 13, 2001; then placed under a one year moratorium by P.L. 26-81; and which is subject to automatic reactivation on May 6, 2003, be amended to permit its use to fund the Navy settlement in addition to regulatory fees and amounts owed to GPA. The Commission has informed CCU that at its request, the Commission would, on its own initiative, commence proceedings to consider this concept during the June 2003 regulatory session. In the event such a request is filed *[which may request consideration of other collateral* rate *issues]*, ALJ is authorized and directed to oversee prehearing activities, which will lead to June hearing.

RECEIVED
MAR 19 2004
Public Utilities Commission
of Guam

BEFORE THE GUAM PUBLIC UTILITIES COMMISSION

REGULATORY REVIEW OF GWA INTERIM FINANCIAL PLAN UNDER FEDERAL COURT ORDER IN CIVIL CASE 02-35

DOCKET 04-01

Stipulation

Georgetown Consulting Group *[GCG]* and Guam Waterworks Authority *[GWA]*, through authorized representatives, hereby stipulate and agree that:

1. The Guam Public Utilities Commission *[PUC]* is responsible under sections 28 and 29 of the Stipulated Order For Preliminary Relief in United States District Court – Territory of Guam Civil Case No. 02-35 *[USA v. Guam Waterworks Authority and Government of Guam – the " Federal Order"]* to review and approve a GWA interim financial plan *[Interim Plan]*.

2. The purpose of the Interim Plan is to enable GWA to fund its timely compliance with the Federal Order during the 23-month period *[4/04-2/06]* until a permanent financial plan is approved by PUC in early 2006.

3. The financial requirements, which must be funded during the Interim Plan, include the prudent and reasonable cost of: i] the compliance activities and deliverables mandated by the Federal Order during the interim term; ii] other anticipated expenses; iii] the retirement of outstanding debt; iv] expected debt service, consistent with a debt service ratio established by PUC; and v] the financial reserves required by Federal Order section 32.

4. Interim Plan funding must necessarily include an integrated blend of rate relief, external financing1, receivables collection, and third party relationships2, which is reasonably sufficient to ensure GWA's compliance with the requirements of the Federal Order and which will enable GWA to repay its debts, to finance its obligations and capital improvement needs and to cover its reasonable operating expenses, all with the least possible impact on GWA ratepayers.

5. PUC has a regulatory duty to review and approve each funding element of the Interim Plan before it is implemented by GWA. The contract review protocol, as

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1 The term "external financing" includes vendor financing, short term borrowing and long term borrowing.

2 The term "third party relationships" includes public private partnerships, BOTs, joint operating agreements and privatization activities.

ATTACHMENT A

established by PUC Order dated December 16, 2003 should govern PUC's review of third party relationships and external financing.3

6. A PUC approved Interim Plan should evolve during the next six months in a dynamic, interactive regulatory process between GWA, PUC and other interested parties. This process should include the events and should occur under the schedule set forth in ***Attachment A.*** Integral components of the Interim Plan, which must be crafted under the Attachment A schedule, include: a] a reorganization plan for GWA's finance department, including consideration of the recommendations made by Georgetown's November 2001 GWA Revenue Cycle Audit; b] a debt retirement plan; c] restructured user fees; d] a receivables collection plan, which shall include, if necessary, the institution of judicial proceedings against the Government of Guam to collect sums due to GWA; e] a funding analysis component to establish an appropriate blend of revenue sources consistent with paragraph 4 above, which will be prepared in consultation with GWA's financial advisor [Bank of America Securities]; and f] a report on the Interim Plan projects and activities, in compliance with the Minimum Filing Requirements.

7. An initial rate award of 7.5% on current revenues *[excluding the Navy-GPA surcharge]* should be awarded, effective April 1, 2004, subject to review during the September 2004 PUC regulatory session, under the schedule established in Attachment A. Pursuant to the terms of 12 GCA 12004, this increase should not be applicable to GWA water and wastewater lifeline rates.

8. GWA seeks rate relief to fund the legislative mandate under P.L. 27-29 for retiree supplemental annuities, COLA and insurance premiums. GCG and GWA agree that there is a substantial question of law regarding the legality of this mandate. Accordingly, GCG and GWA propose the following protocol to deal with this revenue requirement: a] PUC should award rate relief, in the form of a separately identified *"Legislative Surcharge"*, of a 2.7% increase on current revenues *[excluding the Navy-GPA surcharge and lifeline revenues]* to fund the outstanding balance of its liability under P.L. 27-29; b] GWA should escrow the revenues produced by this increase in a separate interest bearing account; c] Except as provided in subparagraph d] below, GWA should not disburse any funds from this escrow account except pursuant to either an order of the Superior Court of Guam, which GWA elects not to appeal or a PUC order; d] GWA is authorized to pay from the escrow account created under subparagraph (b) above, funds necessary to cover the outstanding balance of the insurance premium requirement under P.L. 27-29 upon written certification from the Guam

3 PUC has ruled by its April 10, 2003 Order in Docket 02-02 that project and activity procurements as required by the Federal Order shall not require PUC review and approval under 12 GCG 12004. The logic for this order was that duplicative review of should not be required of projects and activities, which under the EPA Order are subject to EPA review and approval. However, the order should not apply to external financing and third party relationships, as defined in footnotes 1 and 2 *supra* as they directly relate to the interim financial plan, for which PUC under EPA Order section 28 has been given sole primary authority.

will be used only for this purpose *[a copy of said certification shall be filed with PUC];* e] On or before June 30, 2004, GWA shall initiate proceedings for declaratory relief in the Superior Court of Guam to test the legality of the requirements imposed on it by P.L. 27-29; and f] The rate increase proposed under this paragraph should terminate when the outstanding balance of GWA's obligations under P.L. 27-29 have been fully funded.

9. GWA's fire hydrant tariff, the payment of which is the responsibility of the Government of Guam, should be reduced from $25 to $7.50 per month per hydrant effective April 1, 2004.

10. GWA and GCG recommend that PUC adopt this stipulation as the framework for its regulatory review and approval of the Interim Plan, as mandated by the Federal Order.

Respectfully submitted this 19th day of March 2004.

Georgetown Consulting Group
By Jamshed Madan, Principal

Guam Waterworks Authority
By David Craddick, General Manager

STIPULATED ORDER PROJECT LIST

Stipulated Order for Preliminary Relief Civil No. 02-00035 — Amounts in $1,000

Exhibit A

Line #	SO Par. #	Expense Project Description	Source of Funds	Estimated Cost	FY 2004	FY 2005	FY 2006	FY2007	FY 2008	Total
1	1	Compliance Specialist	P Roll	$450	$90	$90	$90	$90	$90	$450
2	3	General Manager	P Roll	$650	$130	$130	$130	$130	$130	$650
3	4	Chief Engineer	P Roll	$600	$120	$120	$120	$120	$120	$600
4	5	Chief Financial Officer	P Roll	$375	$75	$75	$75	$75	$75	$375
5	8	Operator Certification	P Roll	$25	$5	$5	$5	$5	$5	$25
6	46	Operator Training and Certification Support	P Roll	$420	$20	$100	$100	$100	$100	$420
7	9	GWA Reorganization	P Roll	$50	$50	$0	$0	$0	$0	$50
8	10	Watershed Master Plan	R&R CIP	$1,000	$300	$600	$100	$0	$0	$1,000
9	10	Watershed Master Plan	DW Grant	$250	$250	$0	$0	$0	$0	$250
10	10	Watershed Master Plan	WW Grant	$250	$250	$0	$0	$0	$0	$250
11	11	Interim Disinfection	DW Grant	$434	$434	$0	$0	$0	$0	$434
12	11	Interim Disinfection	Fed Grant	$485	$485	$0	$0	$0	$0	$485
13	12	Interim Disinfection Monitoring	P Roll	$1,000	$200	$200	$200	$200	$200	$1,000
14	13	Leak Detect and Response(Line Replacement)	R&R CIP	$5,000	$1,000	$1,000	$1,000	$1,000	$1,000	$5,000
15	14	Water Meter Improvement	Lease	$10,000	$10,000	$0	$0	$0	$0	$10,000
16	15	Ess. Parts Inv. (items not available within 4 days)	Operations	$1,000	$200	$200	$200	$200	$200	$1,000
17	16	Tool and Equip. (Responsive Ops Minimums)	Operations	$700	$200	$200	$200	$50	$50	$700
18	17	Stand-By Generators	Bonds	$1,000	$100	$300	$200	$200	$200	$1,000
19	18	Underground Storage tanks	P Roll	$250	$250	$0	$0	$0	$0	$250
20	19	Emergency Response Plan	P Roll	$20	$20	$0	$0	$0	$0	$20
21	20	Development and Implementation of a GWA	P Roll	$1,995	$265	$600	$600	$265	$265	$1,995
22	21	Operatons And Maintenance Manuals	P Roll	$40	$20	$20	$0	$0	$0	$40
23	23	Standard Operating Procedures	P Roll	$100	$20	$20	$20	$20	$20	$100
24	24	Vulnerability Assessment	DW Grant	$115	$115	$0	$0	$0	$0	$115
25	25	Memberships in AWWA and WEF	Operations	$20	$4	$4	$4	$4	$4	$20
26	26	Financial Standard Operating Procedures	P Roll	$20	$10	$10	$0	$0	$0	$20
27	27	Annual Budget	P Roll	$100	$20	$20	$20	$20	$20	$100
28	30	Financial Plan (Includes Interim Plan [28] and	Operations	$575	$250	$100	$75	$75	$75	$575
29	31	Five Year Operating Plan (moving five year plan).	P Roll	$25	$5	$5	$5	$5	$5	$25
30	32 - 1	Reserves - Debt Service	Operations	$11,745	$1,515	$3,230	$5,000	$1,000	$1,000	$11,745
31	32 - 2	Reserves - Emergency Operations, Maintenance,	Operations	$13,000	$2,000	$2,000	$3,000	$3,000	$3,000	$13,000
32	33	Late Payment Management Program	P Roll	$250	$50	$50	$50	$50	$50	$250
33	34	Revolving Fund for Sewer Hook-Up	GEPA Gran	$375	$75	$75	$75	$75	$75	$375
34	38	Water Transmission Line Construction (WTLC)	Bonds	$100,000	$0	$0	$50,000	$50,000	$0	$100,000
35	38	WTLine A Series Wells to Ordot Reservior	DW Grant	$2,087	$2,087	$0	$0	$0	$0	$2,087
36	40	Agana Main Sewer Pump Station Diverter Box	R&R CIP	$550	$250	$300	$0	$0	$0	$550
37	41	Ugum Surface Water Treatment Plant Restoration	DW Grant	$1,725	$1,725	$0	$0	$0	$0	$1,725
38	41	Ugum Surface Water Treatment Plant Restoration	R&R CIP	$1,500	$0	$1,500	$0	$0	$0	$1,500
39	35	Agana Ocean Outfall	Bonds	$300	$300	$0	$0	$0	$0	$300
40	42	Agana Sewer Treatment Plant	Bonds	$17,000	$7,000	$9,000	$1,000	$0	$0	$17,000
41	36	Northern District Ocean Outfall	Bonds	$500	$500	$0	$0	$0	$0	$500
42	39	Northern District Sewer Treatment Plant	Bonds	$15,000	$7,000	$7,000	$1,000	$0	$0	$15,000
43	37	Chacot WW Pump Station and Collection System	R&R CIP	$1,050	$50	$1,000	0	0	0	$1,050
44	43	Comprehensive Performance Evaluations (CPE)	Bonds	$4,160	$100	$2,060	$2,000	$0	$0	$4,160
45	43	Comprehensive Performance Evaluations (CPE)	WW Grant	$2,050	$1,360	$690	$0	$0	$0	$2,050
46	44	Santa Rita Springs Booster Station Rehabilitation	DW Grant	$389	$389	$0	$0	$0	$0	$389
47	44	Santa Rita Springs Booster Station Rehabilitation	R&R CIP	$700	$0	$500	$200	$0	$0	$700
48	45	Rehabilitation/Replacement of Drinking Water	R&R CIP	$1,500	$500	$1,000	$0	$0	$0	$1,500
49	47	Management and Administrative Training	P Roll	$100	$20	$20	$20	$20	$20	$100
50		EPA Stipulated Order Projects-Direct Cost		$200,930	$39,809	$32,224	$65,489	$56,704	$6,704	$200,930
51		Leyang/So. Barragada Sewer Collecter	WW Grant	$2,600	$2,600	$0	$0	$0	$0	$2,600
52	SO misc	Engineering Design	Bonds	$6,000	$2,000	$2,000	$2,000	$0	$0	$6,000
53	SO misc	Construction Management	Bonds	$1,344	$0	$207	$282	$455	$400	$1,344
54	SO misc	Regulatory/Program Management	Operations	$145	$20	$25	$30	$35	$35	$145
55	SO misc	Other Project Administration	Operations	$1,250	$250	$250	$250	$250	$250	$1,250
56		EPA Stipulated Order Projects - Indirect Cost		$8,739	$2,270	$2,482	$2,562	$740	$685	$8,739
57		EPA Stipulated Order Projects - Total Cost		$209,669	$42,079	$34,706	$68,051	$57,444	$7,389	$209,669
58		Misc Projects on going		$2,600						
59		TOTAL FUNDING NEEDS		$212,269						

ATTACHMENT B

GUAM WATERWORKS AUTHORITY
PUC Docket 04-01
Revised Rates

Exhibit B

	Current Rates			Proposed Rates @ 10.4%		
WATER RESIDENTIAL						
METER SIZE	BASIC WATER CHG	LIFELINE WATER CONSUMPTION PER K/GAL FOR < 5000 gallons	WATER CONSUMPTION PER K/GAL FOR > 5000 gallons	BASIC WATER CHG	LIFELINE WATER CONSUMPTION PER K/GAL FOR < 5000 gallons	WATER CONSUMPTION PER K/GAL FOR > 5000 gallons
3/4"	$ 6.00	$ 2.40	$ 2.85	$ 6.62	$ 2.40	$ 3.15
1"	$ 7.00	$ 2.40	$ 2.85	$ 7.73	$ 2.40	$ 3.15
1 1/2"	$ 11.00	$ 2.40	$ 2.85	$ 12.14	$ 2.40	$ 3.15
2"	$ 14.00	$ 2.40	$ 2.85	$ 15.46	$ 2.40	$ 3.15
3"	$ 25.00	$ 2.40	$ 2.85	$ 27.60	$ 2.40	$ 3.15
4"	$ 35.00	$ 2.40	$ 2.85	$ 38.64	$ 2.40	$ 3.15
6"	$ 65.00	$ 2.40	$ 2.85	$ 71.76	$ 2.40	$ 3.15
8"	$ 95.00	$ 2.40	$ 2.85	$ 104.88	$ 2.40	$ 3.15
10"	$ 130.00	$ 2.40	$ 2.85	$ 143.52	$ 2.40	$ 3.15
12"	$ 155.00	$ 2.40	$ 2.85	$ 171.12	$ 2.40	$ 3.15

WATER COMMERCIAL AND GOVERNMENT

METER SIZE	BASIC WATER CHG	WATER CONSUMPTION PER K/GAL	BASIC WATER CHG	WATER CONSUMPTION PER K/GAL
3/4"	$ 6.00	$ 3.56	$ 6.62	$ 3.93
1"	$ 7.00	$ 3.56	$ 7.73	$ 3.93
1 1/2"	$ 11.00	$ 3.56	$ 12.14	$ 3.93
2"	$ 14.00	$ 3.56	$ 15.46	$ 3.93
3"	$ 25.00	$ 3.56	$ 27.60	$ 3.93
4"	$ 35.00	$ 3.56	$ 38.64	$ 3.93
6"	$ 65.00	$ 3.56	$ 71.76	$ 3.93
8"	$ 95.00	$ 3.56	$ 104.88	$ 3.93
10"	$ 130.00	$ 3.56	$ 143.52	$ 3.93
12"	$ 155.00	$ 3.56	$ 171.12	$ 3.93

WATER AGRICULTURE AND IRRIGATION

METER SIZE	BASIC WATER CHG	WATER CONSUMPTION PER K/GAL	BASIC WATER CHG	WATER CONSUMPTION PER K/GAL
3/4"	$ 6.00	$ 1.19	$ 6.62	$ 1.31
1"	$ 7.00	$ 1.19	$ 7.73	$ 1.31
1 1/2"	$ 11.00	$ 1.19	$ 12.14	$ 1.31
2"	$ 14.00	$ 1.19	$ 15.46	$ 1.31
3"	$ 25.00	$ 1.19	$ 27.60	$ 1.31
4"	$ 35.00	$ 1.19	$ 38.64	$ 1.31
6"	$ 65.00	$ 1.19	$ 71.76	$ 1.31
8"	$ 95.00	$ 1.19	$ 104.88	$ 1.31
10"	$ 130.00	$ 1.19	$ 143.52	$ 1.31
12"	$ 155.00	$ 1.19	$ 171.12	$ 1.31

WASTEWATER	BASIC SEWER CHG	CONSUMPTION PER K/GAL	BASIC SEWER CHG	CONSUMPTION PER K/GAL
Residential (flat monthly rate)	$ 22.00		$ 22.00	
Commercial 1 (per 1000 gallons*)		$ 1.78		$ 1.97
Commercial 2 (per 1000 gallons*)		$ 4.36		$ 4.81
Commercial 3 (per 1000 gallons*)		$ 6.04		$ 6.67
Government and federal (per 1000 gallons*)		$ 2.55		$ 2.82

*Rates applied to 80% of water consumption.

ATTACHMENT C

5/6-1

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION IX
75 Hawthorne Street
San Francisco, CA 94105

RECEIVED
MAY 13 2002
3:26 PM SRC

May 3, 2002

Gil A. Shinohara
Acting General Manager
Guam Waterworks Authority
P.O. Box 3010
Hagatna, Guam 96932

Dear Mr. Shinohara:

I am in receipt of your letters dated May 3, 2002, regarding your request for a time extension for the submittal of the Order on Consent Quarterly Compliance Report and to extend the project and budget period for the Chaot Sewer Relief Project.

Your request for a time extension for submitting the Order on Consent Quarterly Compliance Report to May 10, 2002 is granted. I would also like to discuss the GWA's progress on the implementation of the Order on Consent's financial plan milestone activities with you and your staff next week while I am in Guam.

With respect to your request to extend the project and budget period for the Chaot Sewer Relief Project I would like to further discuss the project status prior to moving forward with a formal amendment to extend the grant period. Based on recent conversations with your staff it is my understanding that there may also be some remaining construction deficiencies preventing the full utilization of the newly constructed sewer line. I would like to get a clearer picture of the situation prior to making any amendments to the grant period.

I am also looking forward to discussing and working with you and your staff on these matters during my visit to Guam next week. If you have any questions, please contact me at 415-972-3769 or via e-mail at lee.michael@epa.gov .

Sincerely,

M. J. Lee

Michael J. Lee
Guam Water Program Lead
Pacific Islands Office

cc: J. Salas, GEPA
C. Lund, GEPA

GUAM WATERWORKS AUTHORITY
GOVERNMENT OF GUAM

ROUTING SLIP NO. 5/6-1

[A] PREPARE REPLY FOR GM BY: _____
[B] SEE GM
[C] PROVIDE COMMENTS SUBMIT BY: _____
[D] HANDLE COORDINATION
[E] TAKE ACTION - PROVIDE FEEDBACK BY: _____
[F] FOR YOUR INFORMATION
[G] CIRCULATE
[H] PROVIDE INFO/SUPPORT TO [D]

	DIVISION/SECTION			DIVISION/SECTION	
	GENERAL MANAGER			**ASSISTANT GM ADMINISTRATION**	F
1	QUALITY ASSURANCE	✓ F	9	PUBLIC INFORMATION OFFICER	
2	MANAGEMENT SUPPORT		10	HUMAN RESOURCES DIV.	
3	PLANNING		11	PROCUREMENT & SUPPLY	
4	BOARD SECRETARY		12	CUSTOMER SERVICE	
			13	DATA	
	CONTROLLER	✓ F		**ASSISTANT GM OPERATION**	
5	ASSISTANT TO THE CONTROLLER		14	ADMINISTRATIVE OFFICER	E
6	ACCOUNTING		15	WATER	
7	REVENUE PROTECTION		16	WASTEWATER	✓ F
8	PAYROLL		17	FMES	
			18	ENGINEERING Wats / W. Wats	✓ F
			19	LABORATORY	

GENERAL MANAGER'S COMMENTS: Prepare Response re: CWSOT.

GIL A. SHINOHARA
ACTING GENERAL MANAGER

MAY 06 2002
DATE

5/2-3

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION IX
75 Hawthorne Street
San Francisco, CA 94105

RECEIVED
MAY 13 2002
3:25 PM SPC
GWA

May 1, 2002

Gil A. Shinohara
Acting General Manager
Guam Waterworks Authority
P.O. Box 3010
Hagatna, Guam 96932

Dear Mr. Shinohara:

This is in regards to your letter of April 26th regarding your concern that future EPA grant funding may be in jeopardy due to GWA's wish to delay Qualserve. As you are aware, we have been working with GWA and GEPA on what we feel are some very important initiatives, such as Qualserve and the Ugum technical assistance, in an effort to help GWA develop and build the necessary institutional managerial, technical and financial capacities to ensure a self-sustaining and compliant utility. Utility agencies receiving federal funding need to have the necessary managerial, technical and financial capacity to ensure these investments are properly utilized and protected. There are also grant conditions which are directly related to GWA's development of these capacities.

Therefore, recent management changes and subsequent discussions with your staff have raised some concern and/or confusion regarding GWA's position regarding Qualserve, Ugum technical assistance, future O&M technical assistance, and other matters.

I am also looking forward to discussing and working with you and your staff on these matters during our visit to Guam next week. If you have any questions, please contact me at 415-972-3769 or via e-mail at lee.michael@epa.gov .

Sincerely,

M. J. Lee

Michael J. Lee
Guam Water Program Lead
Pacific Islands Office

cc: J. Salas, GEPA
C. Lund, GEPA

GUAM WATERWORKS AUTHORITY
GOVERNMENT OF GUAM

ROUTING SLIP NO. 5/22

[A] PREPARE REPLY FOR GM BY: _____	[E] TAKE ACTION - PROVIDE FEEDBACK BY: _____
[B] SEE GM	[F] FOR YOUR INFORMATION
[C] PROVIDE COMMENTS SUBMIT BY: _____	[G] CIRCULATE
[D] HANDLE COORDINATION	[H] PROVIDE INFO/SUPPORT TO [D]

	DIVISION/SECTION			DIVISION/SECTION	
	GENERAL MANAGER			**ASSISTANT GM ADMINISTRATION**	
1	QUALITY ASSURANCE		9	PUBLIC INFORMATION OFFICER	
2	MANAGEMENT SUPPORT		10	HUMAN RESOURCES DIV.	
3	PLANNING		11	PROCUREMENT & SUPPLY	
4	BOARD SECRETARY		12	CUSTOMER SERVICE	
			13	DATA	
	CONTROLLER			**ASSISTANT GM OPERATION**	
5	ASSISTANT TO THE CONTROLLER		14	ADMINISTRATIVE OFFICER	
6	ACCOUNTING		15	WATER	
7	REVENUE PROTECTION		16	WASTEWATER	
8	PAYROLL		17	FMES	
			18	ENGINEERING	
			19	LABORATORY	

GENERAL MANAGER'S COMMENTS: File

GIL A. SHINOHARA
ACTING GENERAL MANAGER

MAY 02 2002
DATE

4/30-1

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION IX
75 Hawthorne Street
San Francisco, CA 94105

April 26, 2002

Gil A. Shinohara
Acting General Manager
Guam Waterworks Authority
P.O. Box 3010
Hagatna, Guam 96932

Re: NPDES 2nd Quarter Wastewater O&M Progress Report
Extension Request

Dear Mr. Shinohara:

This is in regards to your faxed letter of April 26, 2002, requesting a one week extension for submittal of your NPDES 2nd Quarter Wastewater O&M Progress Report. Your extension request is approved.

I would also like to take this time to mention that GWA's Order on Consent Quarterly (January-March) Compliance Report is due no later than the end of this month. Mr. Danny Santos was designated as the Compliance Coordinator for the Order on Consent. As you may know there are a number of compliance milestones which GWA must address to maintain compliance with the Order on Consent's Financial Plan and Compliance Schedule. Should it be anticipated that GWA will not be able to comply with the timely submittal of the Quarterly Compliance Report GWA should provide notification to EPA and an explanation regarding delay and a firm date to submitting the compliance report.

I would also like to mention that given the recent management changes at GWA and your appointment as Acting General Manager for GWA, we feel it is important that we be able to meet with you and your staff while we are in Guam to discuss the Order on Consent, Ugum Water Treatment Plant technical assistance, Qualserve assessment/process, O&M technical assistance initiative and other matters. These are some of the cooperative efforts we have been working on prior to your appointment to GWA. We feel that the implementation of these efforts are critical to GWA's success and ability to develop and build the necessary institutional managerial, technical and financial capacities to ensure a self-sustaining and compliant utility and continued funding under our federal construction grant program.

We are currently working with GEPA on setting up our schedule while in Guam. We will all be in Guam the week of May 6-10th and look forward to meeting and working with you.

GUAM WATERWORKS AUTHORITY
GOVERNMENT OF GUAM

ROUTING SLIP NO. 4/30-1

[A] PREPARE REPLY FOR GM BY: _____	[E] TAKE ACTION - PROVIDE FEEDBACK BY: _____
[B] SEE GM	[F] FOR YOUR INFORMATION
[C] PROVIDE COMMENTS SUBMIT BY: _____	[G] CIRCULATE
[D] HANDLE COORDINATION	[H] PROVIDE INFO/SUPPORT TO [D]

	DIVISION/SECTION			DIVISION/SECTION	
	GENERAL MANAGER			**ASSISTANT GM ADMINISTRATION**	E
1	QUALITY ASSURANCE		9	PUBLIC INFORMATION OFFICER	
2	MANAGEMENT SUPPORT		10	HUMAN RESOURCES DIV.	
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	CONTROLLER			**ASSISTANT GM OPERATION**	
5	ASSISTANT TO THE CONTROLLER		14	ADMINISTRATIVE OFFICER	
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7	REVENUE PROTECTION		16	WASTEWATER	H
8	PAYROLL		17	FMES	
			18	ENGINEERING	
			19	LABORATORY	F

GENERAL MANAGER'S COMMENTS: Advise me on the

GIL A. SHINOHARA
ACTING GENERAL MANAGER

APR 30 2002
DATE

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION IX
75 Hawthorne Street
San Francisco, CA 94105

RECEIVED
MAY 08 2002
1:55 pm spc
Guam

April 22, 2002

Gil Shinohara
Acting General Manager
Guam Waterworks Authority
P.O. Box 3010
Hagatna, Guam 96932

Re: Approval to Award: Leyang, South Barrigada Collector System, Phase 1A
USEPA Construction Grant No.C660010-30-3

Dear Mr. Shinohara,

We have received and reviewed your transmittal of the Approval to Award (ATA) form and supporting documents for the above referenced project. These documents are in order and this is to authorize you conditional approval to award the construction contract to the lowest responsive, responsible bidder as follows:

Contractor	**Amount of Contract**	**Eligible Costs**
Guam Construction Company	$960,000	$960,000

The Guam Waterworks Authority (GWA) may award the contract upon receipt by EPA of the site data items 1) and 2) as listed in the ATA Form. Specifically, GWA must provide EPA with 1) a legal description of the site on which the project is to be constructed, and 2) an opinion signed by a competent title counsel describing GWA/Guam interest in the site, including information as to easements and rights of way, and certifying that the interest is legal and valid. Please be sure that all information required by Item 6, Site Data in the ATA Form is provided. Do not award the contract until EPA acknowledges receipt of the site data information.

In addition, enclosed is a copy of the "Certification of Bond and Insurance Coverage" which should be completed and returned to us with a certified copy.

As a result of your agency's receipt and acceptance of a construction bid in the amount of $960,000, the project's design allowance for this phase of the project has been calculated (see enclosed calculation sheet) to be $62,241. Therefore, for this phase of the project we may not reimburse GWA for any design costs beyond this amount. Design costs beyond this amount for Phase 1A will need to be covered by GWA.

We look forward to receipt of the required site data and the complete insurance certification form. Upon EPA's acknowledgment of receipt of these documents, GWA may award the contract. Please provide us with a certified copy of the construction and construction

management contracts when available.

Should you have any questions regarding these matter, please contact me or have your staff contact me at 415-972-3769 or by e-mail at lee.michael@epa.gov .

Sincerely,

Michael J. Lee
Guam Project Officer
Pacific Islands Office

Enclosures

cc: N. Navasca, GWA
M. Miller, GWA
J. Salas, GEPA
C. Lund, GEPA

Leyang/South Barrigada Collector System
(USEPA Grant No. C660010-30-3)

Design Allowance, Phase 1A

(Work Sheet)

Estimated Design Allowance	$259,600
Estimated Construction Costs, Phase 1	$2,161,854
Actual Construction Costs, Phase 1A	$960,000

Design Allowance (From Table 2, Allowance for Design Only, 40 CFR 35)

$900,000 = 6.5634
$1,000,000 = 6.4300

Calculations:

1) 60,000/100,000 = 60%

2) 6.5634 - 6.4300 = 0.1334%

3) 0.1344 x .60 = .08004%

4) 6.5634 - 0.08004 = 6.4834%

5) $960,000 x .064834 = $62,241

Design allowance for Phase 1A = $62,241

DETERMINATION OF BOND AND INSURANCE COVERAGE

me of Applicant _____

Contract No. _____

Name of Insured Contractor _____

Schedule Date of Completion _____

	Company & Policy Number	Amount	Expiration Date
Performance Bond			
Labor & Material Bond			
Public Liability			
Property Damage			
*Fire Insurance			
**Workmen's Compensation			

* If covered by a blanket policy, please explain and indicate limits.

** If coverage through industrial commission or other agency is required by State Law, it will be satisfactory just to indicate the policy number.

I certify that the above coverage in the amounts indicated is carried on the project. These policies will be kept in force for the duration of the construction of the project.

One copy of this document should be retained in the applicant's files.

Name _____

Title _____

Date _____

GUAM WATERWORKS AUTHORITY
GOVERNMENT OF GUAM

ROUTING SLIP NO. 5/8-1

[A] PREPARE REPLY FOR GM BY: _____
[B] SEE GM
[C] PROVIDE COMMENTS SUBMIT BY: _____
[D] HANDLE COORDINATION
[E] TAKE ACTION - PROVIDE FEEDBACK BY: _____
[F] FOR YOUR INFORMATION
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	DIVISION/SECTION			DIVISION/SECTION	
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6	ACCOUNTING		15	WATER	
7	REVENUE PROTECTION		16	WASTEWATER	F
8	PAYROLL		17	FMES	
			18	ENGINEERING	E
			19	LABORATORY	F

GENERAL MANAGER'S COMMENTS: _____

GIL A. SHINOHARA
ACTING GENERAL MANAGER

MAY 08 2002
DATE

RECEIVED
APR 15 2002
12:55 PM SFC

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION IX
75 Hawthorne Street
San Francisco, CA 94105
PACIFIC INSULAR AREA PROGRAM
FAX: (415) 947-3560
PHONE: (415) 972-3769

TO: Bert Johnston, General Manager, GWA
Chris Lund, Water Division Director, GEPA

SUBJECT: Qualserve Self-Assessment Survey

DATE: 4/10/02

FROM: Michael Lee
TITLE: Environmental Engineer/Guam Water Program Lead, CMD-5
PHONE: 415-972-3769

Bert and Chris,

Enclosed is a copy of the Qualserve Self-Assessment Survey forms and survey guidance. We would like to discuss during next week's GWA conference. We need to customize the survey forms and mail back to Qualserve by April 22.

Sincerely,

Mike

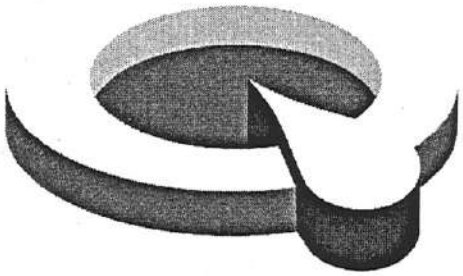
Mike Lee
Pacific Islands Office
USEPA Region 9

Sample

Self-Assessment Survey

for

Water, Joint or Wastewater Utility



QUALSERVE

American Water Works Association
Dedicated to Safe Drinking Water

Water Environment Federation®
Preserving & Enhancing the Global Water Environment

Disclaimer

Research and design of this utility self-assessment survey process was funded by the American Water Works Association Research Foundation and the Water Environment Research Foundation, and supported by the American Water Works Association and Water Environment Federation. This survey is intended for use solely by utilities participating in the AWWA QualServe™ program in accordance with the terms and conditions of the QualServe Participating Agreement. The mention of trade names for commercial products does not represent or imply approval or endorsement by AWWA, AWWARF, WEF, or WERF.

Acknowledgments

The American Water Works Association is appreciative of the support offered by a variety of individuals and organizations that participated in the development of this water utility self-assessment process and survey instrument. The AWWA Research Foundation contributed both financial and managerial support for research and preparation of the basic guidance and the water only self-assessment survey through contractor Roy F. Weston, Inc. The AWWA ad hoc committee provided oversight of the QualServe™ program development and coordinated closely with the AWWARF project advisory committee, staff at both AWWARF and AWWA, and volunteer peers and utilities. More recently, the Water Environment Federation, the Water Environment Research Foundation, the new Joint AWWA/WEF Advisory Committee, WERF contractor Hagler Bailly, Inc., and representatives of numerous water and wastewater utilities have contributed time and resources to help AWWA expand the QualServe program and make it useful at wastewater utilities and joint water/wastewater utilities. We also thank the utilities that participated in the QualServe pilots for their willingness to evaluate the new self-assessment survey in a real-life setting and in preparation for its use at utilities throughout North America.

Background on Self-Assessment

The American Water Works Association and the Water Environment Federation are sponsoring this self-assessment program to assist utilities with establishing programs to improve performance, enhance efficiency, and increase customer satisfaction. AWWA has learned a great deal about the self-assessment approach from other industries and is assisting utilities by bringing the process to the water and wastewater utility fields through the QualServe™ program.

The QualServe Self-Assessment Survey is modeled after a number of organizational evaluation programs from private and nonprofit sectors. Perhaps the best known is the Malcolm Baldrige National Quality Awards Program that is managed by the US Department of Commerce. This prestigious program uses survey techniques as one method to prepare applicants for the award evaluation process. Other industries with successful programs on quality and performance also rely on internal surveys for assessing the performance of an organization, both initially and as a tool for measuring progress. Examples of these industries include health care, colleges, electric utilities, nuclear power electricity producers, and Japanese auto and electronics manufacturers. This survey is designed as an overall indicator of performance trends in 26 "business process categories." It can be an indicator of good performance in specific business processes, as well as an identifier of others where improvement is needed.

The survey is also designed to fit the startup needs of the QualServe program. It provides utilities with a tool for obtaining employee input on current performance. AWWA plans to maintain a central database of those survey results that will be a source of information for all utilities.

Your utility has decided to participate in the QualServe program utility self-assessment, which is conducted by using the attached survey. The survey is designed to help your utility determine its overall strengths and weaknesses by assessing the perceptions of your own employees.

Survey Description

Thank you for contributing your time to complete this survey. It represents an important step in this utility's commitment to improve its performance and serve its customers better. It is very important to gain the perspective of experienced employees through this survey. The survey is designed to collect your views of the relative strength and conformity with best practices for key business processes within your utility. "Best practices" are ways of doing business that have been shown to bring superior results. The key business processes around which these best practices are organized are

1. Leadership & Organization
2. Continuous Improvement
3. Human Resources Management
4. Health & Safety Management
5. Emergency Planning & Response
6. Capital Improvement Program
7. Strategic Planning
8. Finance & Fiscal Management
9. Plant & Real Property Management
10. Engineering
11. Purchasing
12. Information Management
13. Customer Service
14. Customer Strategy & Satisfaction
15. Customer Accounts Management
16. Government, Business, & Community Relations
17. Watershed Management
18. Wastewater Collection System Operations & Maintenance
19. Wastewater Treatment Operations & Maintenance
20. Industrial Pretreatment Program
21. Biosolids Management
22. Wastewater Permitting/Air & Water Quality
23. Water Resources Management
24. Water Treatment Operations & Maintenance
25. Water Distribution Operations & Maintenance
26. Water Quality Management

- ✓ Once the survey begins, visiting and talking are prohibited as a courtesy to the other respondents and to ensure that we have each individual's personal opinion.
- ✓ Leave the room only if absolutely necessary. Inform the moderator where you are going. Place your survey in the envelope and leave it on your desk or at your place at the table while you are out of the room. Return to complete the survey as soon as possible.
- ✓ Keep the desk/table clear of all papers other than the survey and a pen or pencil.
- ✓ In the comments section, avoid using phrases that are easily associated with you. Written comments will be typed verbatim (if legible and in good taste). "Pet" phrases might indicate the author of a comment.
- ✓ Don't discuss the survey with other employees who have not yet taken it; the survey will have the highest value if it reflects each employee's individual opinion.

The term "utility" as used in this survey refers to an organization or department, agency, or company that is in the business of supplying drinking water and/or wastewater disposal service to customers.

When you finish the survey, place it in the envelope and seal it. Then place your survey in the shipping container provided by the moderator. You are then free to return to your normal work duties.

Your opinions are important. AWWA, WEF, and your utility all thank you for participating. Results will be available at your utility in about one month. You may direct comments or questions to any member of the utility's self-assessment team. Again, thank you for your time.

Your Responses Are Confidential

QualServe does not need your identity for this survey. The analyses are performed on responses offered by many people. We do ask whether you are a manager or non-manager, how long you have worked at your utility, and what department you work in. Your utility may have provided this information for you in the form of a self-sticking label. If it has provided a label, we suggest you use it.

QualServe Self-Assessment Survey Statements

			Strongly Agree 5	4	3	2	Strongly Disagree 1	Don't Know / No Response
		Leadership & Organization						
Core	1 - 1	I understand this utility's mission statement.	☐	☐	☐	☐	☐	☐
Core	1 - 2	I believe all managers and supervisors are committed to this utility's mission.	☐	☐	☐	☐	☐	☐
Core	1 - 3	I feel comfortable discussing work-related issues with my immediate supervisor.	☐	☐	☐	☐	☐	☐
Core	1 - 4	I feel comfortable discussing work-related issues with my supervisor's boss.	☐	☐	☐	☐	☐	☐
Core	1 - 5	I feel comfortable discussing work-related issues with the head of this utility.	☐	☐	☐	☐	☐	☐
Core	1 - 6	I have opportunities to offer input on matters that I know something about or that even generally concern me.	☐	☐	☐	☐	☐	☐
Core	1 - 7	Senior staff are good about getting back to people who offer suggestions and new ideas.	☐	☐	☐	☐	☐	☐
Core	1 - 8	Striving for high-quality service is important at this utility.	☐	☐	☐	☐	☐	☐
Core	1 - 9	Written materials about utility organization and management are available to all employees.	☐	☐	☐	☐	☐	☐
Core	1 - 10	Employee roles and responsibilities are clear at this utility and people are sure about what to do in specific situations.	☐	☐	☐	☐	☐	☐
Core	1 - 11	This utility's managers encourage employees to ask questions.	☐	☐	☐	☐	☐	☐
Core	1 - 12	At this utility, people work together to make sure that things get done right and on time.	☐	☐	☐	☐	☐	☐
Core	1 - 13	The head of my unit sometimes visits me and spends a couple of minutes to see how things are going.	☐	☐	☐	☐	☐	☐

			Strongly Agree 5		3		Strongly Disagree 1	Don't Know / No Response
Core	2 - 11	This utility provides specifications, drawings, and standards for its infrastructure, which is constructed by developers, or it coordinates with the local government permitting process to do so.	☐	☐	☐	☐	☐	☐

Human Resources Management

Core	3 - 1	This utility has formal programs for training, certification, and education.	☐	☐	☐	☐	☐	☐
Core	3 - 2	This utility's training and certification program emphasizes cross training and multi-skill certification (e.g., operator and mechanic).	☐	☐	☐	☐	☐	☐
Core	3 - 3	Individual training/education plans are developed for each employee, and mentors/advisors are available to help employees identify and achieve their goals.	☐	☐	☐	☐	☐	☐
Core	3 - 4	This utility encourages, supports, and provides individual incentives for training and certification such as reimbursing tuition and skill-based pay increases.	☐	☐	☐	☐	☐	☐
Core	3 - 5	This utility does a good job in providing employees with retraining and other transition assistance.	☐	☐	☐	☐	☐	☐
Core	3 - 6	This utility takes a no-layoff approach to organizational changes and relies on early retirement, reassignment to other jobs, or normal attrition to achieve reduction-in-force goals.	☐	☐	☐	☐	☐	☐
Core	3 - 7	This utility's compensation system is fair, and salaries are comparable to those offered at other utilities.	☐	☐	☐	☐	☐	☐
Core	3 - 8	Employee salaries are directly based on skill levels, and there are skill-based pay incentives to encourage employees to learn new skills.	☐	☐	☐	☐	☐	☐
Core	3 - 9	Employees are rewarded financially for excellent performance.	☐	☐	☐	☐	☐	☐
Core	3 - 10	The utility has written policies to ensure a fair workplace.	☐	☐	☐	☐	☐	☐
Core	3 - 11	Performance and other workplace standards are monitored and enforced fairly.	☐	☐	☐	☐	☐	☐
Core	3 - 12	This utility does a good job of attracting and hiring qualified staff who fit well in the organization.	☐	☐	☐	☐	☐	☐

			Strongly Agree 5		3		Strongly Disagree 1	Don't Know / No Response
Core	4 - 7	Management, crew supervisors, and crew members are aware of and consistently follow trench safety procedures and fully comply with all related OSHA requirements in all applicable settings.	☐	☐	☐	☐	☐	☐
Core	4 - 8	Awareness and skills training is provided to appropriate staff to prevent and handle risks associated with noxious gases, oxygen deficiency, explosion hazards, and microbiological threats.	☐	☐	☐	☐	☐	☐
Core	4 - 9	This utility has a comprehensive health and safety program for dealing with all aspects of gaseous chlorine.	☐	☐	☐	☐	☐	☐
Core	4 - 10	Appropriate lighting, ventilation, noise control, workspace layout, and ergonomics of furniture and equipment contribute to a healthy work environment at this utility.	☐	☐	☐	☐	☐	☐
		Emergency Planning & Response						
Core	5 - 1	This utility has a comprehensive emergency response plan that addresses equipment breakdowns, accidents, natural disasters, catastrophes, and other circumstances that disrupt normal operations.	☐	☐	☐	☐	☐	☐
Core	5 - 2	This utility has an up-to-date risk management plan that conforms to Clean Air Act amendments and OSHA requirements and standards.	☐	☐	☐	☐	☐	☐
Core	5 - 3	This utility routinely conducts emergency response training for appropriate personnel.	☐	☐	☐	☐	☐	☐
Core	5 - 4	This utility routinely conducts simulation drills and other methods to test whether it is prepared for an emergency.	☐	☐	☐	☐	☐	☐
Core	5 - 5	This utility conducts sessions to forecast the emergency situations that could arise and uses this information in designing its emergency response plan.	☐	☐	☐	☐	☐	☐
Core	5 - 6	Each employee understands his/her special role in emergency situations.	☐	☐	☐	☐	☐	☐
Core	5 - 7	This utility investigates the causes of emergencies and takes the necessary corrective actions to prevent a recurrence.	☐	☐	☐	☐	☐	☐
Option A	5 - 8	This utility's customer call/dispatch center expedites response to reports of low water pressure and water main leaks and breaks.	☐	☐	☐	☐	☐	☐

			Strongly Agree 5		3		Strongly Disagree 1	Don't Know / No Response
Core	6 - 5	The capital improvement plan is updated regularly as part of the annual business planning process.	☐	☐	☐	☐	☐	☐
Core	6 - 6	The process for prioritizing where to spend capital funds is clearly defined.	☐	☐	☐	☐	☐	☐
Core	6 - 7	The higher priority projects identified in this process are funded first.	☐	☐	☐	☐	☐	☐
Core	6 - 8	The selection of potential capital improvement projects is based on staff-level input from many departments (e.g., operations, maintenance, engineering, etc.).	☐	☐	☐	☐	☐	☐
Core	6 - 9	Customers and other stakeholders have opportunities to provide input to capital planning processes in a meaningful way.	☐	☐	☐	☐	☐	☐
Core	6 - 10	This utility's staff have all the skills needed to successfully implement the capital improvement plan.	☐	☐	☐	☐	☐	☐
Core	6 - 11	This utility's capital improvement program is linked with local and regional master plans.	☐	☐	☐	☐	☐	☐
Core	6 - 12	The capital improvement plan takes into account the utility's regulatory compliance requirements.	☐	☐	☐	☐	☐	☐

Strategic Planning

Core	7 - 1	This utility has implemented an effective planning process.	☐	☐	☐	☐	☐	☐
Core	7 - 2	This utility identifies potential problems and analyzes them to identify alternative solutions.	☐	☐	☐	☐	☐	☐
Core	7 - 3	This utility develops contingency plans far enough in advance to stay on top of situations.	☐	☐	☐	☐	☐	☐
Core	7 - 4	This utility's employees understand the long-range plans of the utility.	☐	☐	☐	☐	☐	☐
Core	7 - 5	Employees feel a sense of ownership for the utility's long-range plans.	☐	☐	☐	☐	☐	☐
Core	7 - 6	This utility's strategic planning process is based on the utility's vision, mission, and long-range goals.	☐	☐	☐	☐	☐	☐

			Strongly Agree 5	4	3	2	Strongly Disagree 1	Don't Know / No Response
Core	8 - 5	This utility successfully collects revenues owed to it (e.g., service fees, local government payments, etc.).	☐	☐	☐	☐	☐	☐
Core	8 - 6	This utility has control over its revenues and expenses, where as other government departments (e.g., trash service, roads, etc.) do not have access to utility funds.	☐	☐	☐	☐	☐	☐
Core	8 - 7	This utility knows the limitations of its financial knowledge and seeks advice from outside experts when needed.	☐	☐	☐	☐	☐	☐
Core	8 - 8	This utility has a formal program to manage financial risks related to operations and capital investments.	☐	☐	☐	☐	☐	☐
Core	8 - 9	Financial risks are considered in the utility's day-to-day operations.	☐	☐	☐	☐	☐	☐
Core	8 - 10	This utility has a process to identify supplemental goods and services (e.g., biosolids by-products, laboratory and engineering services, bottled water, etc.) it can offer.	☐	☐	☐	☐	☐	☐
Core	8 - 11	This utility periodically evaluates each product to assure it is generating a profit (i.e., revenue exceeds cost).	☐	☐	☐	☐	☐	☐
Core	8 - 12	This utility informs employees who need to know about the criteria used to make budgetary and financial decisions.	☐	☐	☐	☐	☐	☐
Core	8 - 13	This utility regularly conducts rigorous analyses of its rate structure, revenue generation, and capital needs to ensure rates are at the right levels and adequate cash and capital are available.	☐	☐	☐	☐	☐	☐
Core	8 - 14	This utility has established specific criteria to determine when rates should be adjusted.	☐	☐	☐	☐	☐	☐
		Plant & Real Property Management						
Core	9 - 1	This utility keeps an up-to-date inventory of its plant and real property.	☐	☐	☐	☐	☐	☐
Core	9 - 2	Accurate maps and as-built drawings are readily available covering all utility properties, easements, rights-of-way, etc.	☐	☐	☐	☐	☐	☐
Option A	9 - 3	This utility considers strategic purchases of property to protect the watershed and source water resources.	☐	☐	☐	☐	☐	☐

			Strongly Agree 5		3		Strongly Disagree 1	Don't Know / No Response
Core	10 - 6	The process to select consultants and contractors to work on the utility's projects is well-documented.	☐	☐	☐	☐	☐	☐
Core	10 - 7	This process consistently identifies firms that are well qualified and do good work.	☐	☐	☐	☐	☐	☐
Core	10 - 8	This utility has a process to prequalify engineers and other contractors.	☐	☐	☐	☐	☐	☐
		Purchasing						
Core	11 - 1	This utility solicits competitive bids when ordering bulk chemicals, fuel, and other large-dollar-volume equipment, materials, and supplies.	☐	☐	☐	☐	☐	☐
Core	11 - 2	This utility has an aggressive program to reduce energy and chemical consumption.	☐	☐	☐	☐	☐	☐
Core	11 - 3	This utility has implemented a chemical delivery system that minimizes the inventory of hazardous chemicals on site.	☐	☐	☐	☐	☐	☐
Core	11 - 4	This utility has explored or is relying on one or more energy efficiency methods, such as self-generation, co-generation, peak-load leveling, hydropower (hydraulic head), and/or methane-generated energy.	☐	☐	☐	☐	☐	☐
Core	11 - 5	Staff receive proper training on reading and responding to energy controls, especially for operations with high energy.	☐	☐	☐	☐	☐	☐
Core	11 - 6	Energy consumption is regularly monitored, and energy audits are conducted periodically.	☐	☐	☐	☐	☐	☐
Core	11 - 7	This utility has a formal energy management plan.	☐	☐	☐	☐	☐	☐
Core	11 - 8	Formal policies and procedures are in place to manage equipment inventories, materials, and other supplies.	☐	☐	☐	☐	☐	☐
Core	11 - 9	Warehouse inventory is minimized for spare parts and supplies, based on supplier availability, delivery time, criticality of the equipment, and built-in redundancy.	☐	☐	☐	☐	☐	☐
Core	11 - 10	Purchasing policies allow the utility to buy equipment that is compatible with previous purchases (e.g., meters, valves, hydrants, pumps, etc.).	☐	☐	☐	☐	☐	☐

			Strongly Agree 5	4	3	2	Strongly Disagree 1	Don't Know / No Response
Core	12 - 13	This utility's control room computers provide access to information such as the latest engineering drawings, process instrumentation and diagrams, treatment plant operating manuals, and emergency procedures.	☐	☐	☐	☐	☐	☐
Core	12 - 14	This utility has state-of-the-art process control instrumentation and supervisory control and data acquisitions (SCADA) providing real-time access to all critical system operating data.	☐	☐	☐	☐	☐	☐
Core	12 - 15	Information management training is important at this utility.	☐	☐	☐	☐	☐	☐
Core	12 - 16	This utility is improving the quality and timeliness of information available to all employees to help them do their jobs efficiently and effectively.	☐	☐	☐	☐	☐	☐
Core	12 - 17	This utility has standardized its process control software at all of its facilities.	☐	☐	☐	☐	☐	☐
		Customer Service						
Core	13 - 1	This utility views its primary mission as serving its customers.	☐	☐	☐	☐	☐	☐
Core	13 - 2	In everyday work, each employee remembers that his or her job is to serve utility customers.	☐	☐	☐	☐	☐	☐
Core	13 - 3	This utility has established specific and measurable goals for customer service.	☐	☐	☐	☐	☐	☐
Core	13 - 4	Customer service guidelines are provided to every employee (e.g., covering telephone etiquette, field repairs, response times, and followup).	☐	☐	☐	☐	☐	☐
Core	13 - 5	Every employee who might have contact with customers (including office, operations, and field personnel) receives customer sensitivity training.	☐	☐	☐	☐	☐	☐
Core	13 - 6	This utility knows customers depend on field workers for information so managers make sure that field staff know basic things about utility operations, have information about current events, and know where to refer customers for more information.	☐	☐	☐	☐	☐	☐
Core	13 - 7	Field personnel are courteous, have a neat appearance, and leave a good impression on the customers they come in contact with.	☐	☐	☐	☐	☐	☐

			Strongly Agree 5	4	3	2	Strongly Disagree 1	Don't Know / No Response
Option A	14 - 9	This utility uses its rate structure to influence customer behavior (e.g., conserving water, using reclaimed water, etc.).	☐	☐	☐	☐	☐	☐
Opt/Alt B	14 - 9	This utility uses its rate structure to influence customer behavior (e.g., pretreating wastewater, reducing wastewater volume, etc.).	☐	☐	☐	☐	☐	☐
Core	14 - 10	This utility conducts analyses of customer rates and account information and uses this information in the long-range planning process.	☐	☐	☐	☐	☐	☐
Core	14 - 11	Public tours and/or speakers are provided on a regular basis or on request and are an integral part of the utility's public education and outreach effort.	☐	☐	☐	☐	☐	☐
		Customer Accounts Management						
Core	15 - 1	This utility has examined joint billing opportunities with other utilities (i.e., water, wastewater, gas, trash, or electricity), and has made the best decisions for its circumstances.	☐	☐	☐	☐	☐	☐
Core	15 - 2	Managing customer accounts is important at this utility.	☐	☐	☐	☐	☐	☐
Core	15 - 3	Information on customer accounts is accurate and kept up-to-date.	☐	☐	☐	☐	☐	☐
Core	15 - 4	Customer account information includes all information needed for long-term planning and trend analysis.	☐	☐	☐	☐	☐	☐
Core	15 - 5	This utility regularly uses customer information in the planning process.	☐	☐	☐	☐	☐	☐
Core	15 - 6	This utility handles delinquent accounts in a fair but firm manner.	☐	☐	☐	☐	☐	☐
Core	15 - 7	This utility uses state-of-the-art, automated meter reading to determine customer consumption.	☐	☐	☐	☐	☐	☐
Core	15 - 8	Customer information and billing systems are used to track rate impacts on customer classes and demographic subgroups.	☐	☐	☐	☐	☐	☐
Option	15 - 9	This utility has a program to properly calibrate meters and keep them in good repair to ensure accurate readings.	☐	☐	☐	☐	☐	☐

			Strongly Agree 5		3		Strongly Disagree 1	Don't Know / No Response
Core	16 - 12	This utility has a formal corrective action process, as well as a periodic review process with senior utility management to report on compliance performance.	☐	☐	☐	☐	☐	☐
Core	16 - 13	Senior management uses the information from these reports to help set improvement priorities.	☐	☐	☐	☐	☐	☐
Core	16 - 14	This utility publishes and widely distributes an annual report that describes all aspects of the utility's operations, including completed and planned projects, community outreach programs, regulatory compliance, and financial information.	☐	☐	☐	☐	☐	☐

Watershed Management

Option A	17 - 1	This utility has established partnerships with other government organizations, districts, and authorities to manage regional watershed issues.	☐	☐	☐	☐	☐	☐
Opt/Alt B	17 - 1	This utility stays informed of regional watershed issues and becomes involved when appropriate.	☐	☐	☐	☐	☐	☐
Core	17 - 2	The roles and responsibilities of various government agencies, districts, and authorities for stormwater management in the watershed are clearly defined.	☐	☐	☐	☐	☐	☐
Core	17 - 3	Utility staff are knowledgeable about regional watershed conditions.	☐	☐	☐	☐	☐	☐
Core	17 - 4	This utility promotes a proactive approach to deal with historical pollution problems in the watershed (e.g., contaminated sediments).	☐	☐	☐	☐	☐	☐
Option A	17 - 5	This utility participates in a local and/or regional watershed monitoring program covering its receiving waters.	☐	☐	☐	☐	☐	☐
Opt/Alt B	17 - 5	This utility tracks local and regional watershed monitoring programs to assess their impact on the watershed.	☐	☐	☐	☐	☐	☐
Core	17 - 6	This utility supports the use of retention basins, wetlands, stream and habitat restoration, and other projects to control the rate and content of runoff during storm events.	☐	☐	☐	☐	☐	☐
Core	17 - 7	This utility has created incentives to implement "best practices" for controlling contaminated runoff from nonpoint sources.	☐	☐	☐	☐	☐	☐

			Strongly Agree 5	4	3	2	Strongly Disagree 1	Don't Know / No Response
Core	18 - 7	This utility works hard to coordinate its maintenance and rehabilitation activities with those who will be impacted (e.g., other government agencies, other utilities, customers, etc.).	☐	☐	☐	☐	☐	☐
Core	18 - 8	Innovative technologies for rehabilitation/replacement, including trenchless technologies, are employed regularly.	☐	☐	☐	☐	☐	☐
Core	18 - 9	Flow monitoring of collection system zones is conducted regularly.	☐	☐	☐	☐	☐	☐
Core	18 - 10	All pump stations have backup pump and backup power supplies.	☐	☐	☐	☐	☐	☐
		Wastewater Treatment Operations & Maintenance						
Option A	19 - 1	Plant operators at this utility have been trained and certified to do basic maintenance (such as lubrication) and minor repairs (such as a pump seal replacement).	☐	☐	☐	☐	☐	☐
Opt/Alt B	19 - 1	This utility has people on staff who fully understand wastewater treatment processes and offer support with training to maintain this capability.	☐	☐	☐	☐	☐	☐
Option A	19 - 2	Most of the maintenance at this utility's treatment plant is scheduled through activities (preventive or predictive) rather than unscheduled (reacting to breakdowns).	☐	☐	☐	☐	☐	☐
Opt/Alt B	19 - 2	This utility periodically reviews how its wastewater is treated and disposed of and has confidence that its receiving utility is doing a good job.	☐	☐	☐	☐	☐	☐
Option A	19 - 3	This utility has made the necessary investment in resources and certified maintenance personnel to implement a successful preventive or predictive maintenance program.	☐	☐	☐	☐	☐	☐
Opt/Alt B	19 - 3	This utility has an effective program for monitoring the volume and quality of the wastewater it sends on for treatment by others.	☐	☐	☐	☐	☐	☐
Option	19 - 4	Energy efficiency is a factor when selecting motors, pumps, drive systems, lighting systems, air compressors, and other system equipment.	☐	☐	☐	☐	☐	☐
Option	19 - 5	Treatment facilities have the necessary level of design redundancy to ensure that equipment breakdowns will not affect effluent quality.	☐	☐	☐	☐	☐	☐

			Strongly Agree 5		3		Strongly Disagree 1	Don't Know / No Response
Core	20 - 4	Routine collection/interceptor system maintenance, including periodic cleaning schedules for odor control and backup prevention, considers the special impacts of pretreatment program participants on the system.	☐	☐	☐	☐	☐	☐
Core	20 - 5	This utility regulates all industrial users covered under applicable national pretreatment standards, and where necessary, establishes more stringent local limits.	☐	☐	☐	☐	☐	☐
Core	20 - 6	This utility operates an effective inspection, sampling, and monitoring program to ensure industrial dischargers are meeting the pretreatment ordinance and other special requirements.	☐	☐	☐	☐	☐	☐
Core	20 - 7	This utility works with its industrial and commercial customers to provide technical assistance on pretreatment requirements, problems, and treatment options.	☐	☐	☐	☐	☐	☐
Core	20 - 8	Customer outreach programs include recognition of superior performance, innovative and creative pretreatment, or other awards for compliance or excellence.	☐	☐	☐	☐	☐	☐
Core	20 - 9	This utility has a formal communications and response program for hazardous spills and releases from industrial/commercial customers.	☐	☐	☐	☐	☐	☐
		Biosolids Management						
Option A	21 - 1	This utility's solids digestion technology has been selected based on applicable standards and potential end uses of biosolids.	☐	☐	☐	☐	☐	☐
Opt/Alt B	21 - 1	This utility has people on staff who fully understand wastewater biosolids technology and management, and these people collaborate with those managing biosolids at their receiving utility.	☐	☐	☐	☐	☐	☐
Option A	21 - 2	If biosolids are applied to the land, they are applied at rates suitable for local soil management and crop production.	☐	☐	☐	☐	☐	☐
Opt/Alt B	21 - 2	This utility periodically evaluates the methods of treatment and disposal of biosolids used by its contractor.	☐	☐	☐	☐	☐	☐
Option A	21 - 3	This utility has a long-term biosolids management plan that provides for safe, economical disposition for at least the next 10 years.	☐	☐	☐	☐	☐	☐

			Strongly Agree 5		3		Strongly Disagree 1	Don't Know / No Response
Option A	22 - 4	This utility uses redundancy (automated backup) for all critical equipment to ensure effluent quality is maintained.	☐	☐	☐	☐	☐	☐
Opt/Alt B	22 - 4	When it becomes aware of significant unpredicted changes of its wastewater quality and/or quantity, this utility advises its receiving utility and works with that utility to minimize disruption of treatment.	☐	☐	☐	☐	☐	☐
Option	22 - 5	This utility has a routine sensor maintenance and calibration program to ensure reliability of control room readouts.	☐	☐	☐	☐	☐	☐
Core	22 - 6	Sensors or monitors in the collection/interceptor system and/or plant headworks provide the real-time process control signals.	☐	☐	☐	☐	☐	☐
Option	22 - 7	Routine monitoring and laboratory analyses are used by this utility to measure treatment plant removal efficiency and effluent quality.	☐	☐	☐	☐	☐	☐
Core	22 - 8	This utility is successful in staying ahead of new regulatory requirements under Clean Water Act Amendments and other state/local statutes.	☐	☐	☐	☐	☐	☐
Option A	22 - 9	This utility is effective in its negotiations with regulators for the re-issuance of its federal or state/provincial discharge permit.	☐	☐	☐	☐	☐	☐
Opt/Alt B	22 - 9	This utility collaborates with its receiving utility in preparation for re-issuance of that utility's federal and state/provincial discharge permit.	☐	☐	☐	☐	☐	☐
Core	22 - 10	This utility has a formal air emissions management program under which it has inventoried all air emission sources.	☐	☐	☐	☐	☐	☐
Option	22 - 11	This utility has modeled dispersion patterns from its various air emission sources under normal atmospheric conditions.	☐	☐	☐	☐	☐	☐
Core	22 - 12	This utility has modeled the potential areas impacted by accidental or emergency releases of hazardous materials such as chlorine gas.	☐	☐	☐	☐	☐	☐
Core	22 - 13	This utility uses state-of-the-art technologies to control emissions of air pollutants.	☐	☐	☐	☐	☐	☐

			Strongly Agree 5	4	3	2	Strongly Disagree 1	Don't Know / No Response
Core	23 - 10	This utility has a program to minimize its unaccounted-for water loss.	☐	☐	☐	☐	☐	☐
Core	23 - 11	This utility's water rates have price incentives that promote conserving water.	☐	☐	☐	☐	☐	☐
Core	23 - 12	This utility has a requirement for low-water-consumption fixtures in all new residential construction (toilets, low-flow showerheads, low-flow lawn and landscaping irrigation, etc.).	☐	☐	☐	☐	☐	☐
Core	23 - 13	This utility understands the current water resources situation in relation to future economic development plans for its service area.	☐	☐	☐	☐	☐	☐
Option A	23 - 14	This utility effectively manages water withdrawal rates to support sustainable use of the resource.	☐	☐	☐	☐	☐	☐
Opt/Alt B	23 - 14	This utility joins with its water supplier to support sustainable use of the resource they both depend on.	☐	☐	☐	☐	☐	☐
Core	23 - 15	This utility has an active program to protect its water delivery infrastructure.	☐	☐	☐	☐	☐	☐
Option A	23 - 16	This utility effectively manages land areas critical to protecting its source water.	☐	☐	☐	☐	☐	☐
Opt/Alt B	23 - 16	This utility allies with its water supplier to assure there is a safe and reliable supply well into the future.	☐	☐	☐	☐	☐	☐
Option	23 - 17	This utility effectively manages its water resources when they are used for other activities.	☐	☐	☐	☐	☐	☐
Core	23 - 18	This utility has multiple transmission pipelines, well fields, or connections to its wholesale supplier, to assure there will be an adequate supply of water even during emergencies.	☐	☐	☐	☐	☐	☐
Core	23 - 19	This utility effectively communicates the reasons why watershed protection is important to a safe and adequate water supply.	☐	☐	☐	☐	☐	☐

Water Treatment Operations & Maintenance

Core	24 - 1	Management and the workplace at this utility are constantly striving to improve treatment operations and maintenance.	☐	☐	☐	☐	☐	☐

			Strongly Agree 5		3		Strongly Disagree 1	Don't Know / No Response
Option	24 - 15	This utility allows an operator to work alone only if that operator has restricted duties, thereby ensuring that the operator's personal safety is not compromised.	☐	☐	☐	☐	☐	☐
Option	24 - 16	To ensure reliable water treatment, this utility is equipped with automatic alarms and automatic shutdown systems.	☐	☐	☐	☐	☐	☐
		Water Distribution Operations & Maintenance						
Core	25 - 1	This utility continuously monitors distribution system reservoirs, pressures, flows, etc., using state-of-the-art automated process controls (supervisory control and data acquisition [SCADA]).	☐	☐	☐	☐	☐	☐
Core	25 - 2	This utility has a formal preventive maintenance program for flushing, cleaning, and inspecting and exercising water mains, valves, and hydrants.	☐	☐	☐	☐	☐	☐
Core	25 - 3	This utility maintains up-to-date information on its distribution system, including "as built" drawings of pipes and reservoirs, and showing age, materials of construction, maintenance/repair records, and the condition of all components.	☐	☐	☐	☐	☐	☐
Core	25 - 4	This utility has formal water main rehabilitation/replacement program for maintaining the reliability of its distribution system infrastructure.	☐	☐	☐	☐	☐	☐
Core	25 - 5	This utility has completed hydraulic/water quality modeling of its distribution system for optimizing its operation.	☐	☐	☐	☐	☐	☐
Core	25 - 6	This utility has an active energy conservation program to minimize costs of pumping and distribution water throughout the system.	☐	☐	☐	☐	☐	☐
Core	25 - 7	This utility has a long-term capital and financial planning program to ensure adequate funding for water main rehabilitation and replacement.	☐	☐	☐	☐	☐	☐
Core	25 - 8	Where appropriate, this utility uses trenchless technology for replacing water mains.	☐	☐	☐	☐	☐	☐
Core	25 - 9	This utility coordinates its water main replacement program with transportation departments and other utilities.	☐	☐	☐	☐	☐	☐

			Strongly Agree 5		3		Strongly Disagree 1	Don't Know / No Response
Core	26 - 14	Treatment operators at this utility receive formal training on water quality, safety, and aesthetics.	☐	☐	☐	☐	☐	☐
Core	26 - 15	This utility actively participates in public debate on water quality statutes and in the regulatory rulemaking process.	☐	☐	☐	☐	☐	☐
Core	26 - 16	This utility implements a cross-connection control program that follows industry standards.	☐	☐	☐	☐	☐	☐

ptional Statements of Best Practice
QualServe Self-Assessment Survey

September 2000

How to Use These Materials: This document and the **Sample Self-Assessment Survey for Water, Joint or Wastewater Utility** are the primary tools provided for use in designing a survey for the QualServe self-assessment.

In appearance, the sample survey closely resembles the survey instrument that will ultimately be provided to the utility for administration of a self-assessment. It differs from an actual survey instrument, however, in that it encompasses all of the 254 Statements of Best Practice currently available for use in QualServe self-assessments, and it specifically identifies the statements as being either:

Core: Deemed to be applicable to all utilities (i.e., a joint water/wastewater survey would include all of the listed Core statements; some Core statements do not pertain to water only or wastewater only surveys, and thus are excluded from the same), these statements may not be modified or non-selected from the Business Process Categories in which they appear.

Option: Statements that may be selected (in) or excluded (out) for a survey.

Option A: The standard language of an optional statement for which at least one alternative language statement is available for substitution.

Opt/Alt B: An alternative language statement which may be substituted in lieu of using the associated Option A statement. (If there is only one such alternative, it is labeled Opt/Alt B.)

Opt/Alt C: An additional alternative language statement which may be substituted in lieu of using the associated Option A statement or an available Opt/Alt B statement. (If there is more than one such alternative, the second one is labeled Opt/Alt C.)

The guidance in this companion document only lists, and primarily focuses on how to effectively select or exclude the available Optional or Opt/Alt statements for use in a self-assessment.

It will take a utility only a few hours to customize the self-assessment to its particular setting. Here's how we recommend you do that:

1. The utility self-assessment coordinator should begin by reviewing this package to identify the statements of best practice he/she has knowledge of, and then select one statement from among the options offered in each business process category. That selection will be used in the self-assessment survey for your utility.

2. For each of the remaining sets of statements of best practice, consult the managers in charge of the business systems that match the statements, either to ask them for more information or to make the selection.

3. If you do not make a selection in a business process category, QualServe staff will automatically include the standard statement of best practice in your survey.

4. You are free to select any of the alternatives offered. The categories shown are intended to provide guidance. If you select the last option shown in a business process category, "Not applicable at our utility because:" your reasons will help QualServe staff appreciate the variance among utilities and may help with the design of further improvements to the survey.

5. Fax a copy of each page with your indicated selections to QualServe staff at (303) 794-6303 or (303) 795-7603. Mailing or shipping this material is okay as well. Please make certain that it reaches QualServe staff by the date shown in Paragraph V., "Schedule", in your Participating Utility Agreement.

Optional Statements of Best Practice
QualServe Self-Assessment Survey
August 2000

Purpose: This material is for the use of utilities planning a QualServe Self-Assessment Survey. The standard survey instrument for a joint water/wastewater utility contains more than 300 statements of best practice (SBP), organized around 26 business process categories (BPCs). For a water-only utility, 20 BPCs apply. For a wastewater-only utility, 22 BPCs apply. Within several of the BPCs, there are individual SBPs that may not apply at some utilities, or that work best if the standard language is modified. In such cases, utilities will be afforded the opportunity to select an appropriate option for their utility when planning their self-assessment.

The complete standard surveys are designed for the following settings:

- Water utilities treating water for removal of contaminants, or for conditioning and then distributing the water to residential, commercial, and industrial customers.
- Wastewater utilities that collect and treat domestic, commercial, and industrial wastewater prior to disposal.
- Joint water/wastewater utilities offering both of the services described above.

This document identifies those SBP that may not work well in all individual utility settings and offers alternative SBP wordings that may provide more useful information to utility managers.

Utility Options: When considering whether and how to customize the self-assessment survey, utilities have the following options:

Apply This Guidance to Customize the Self-Assessment Survey (Recommended):

Any or all of the standard SBP that follow can be customized. QualServe staff will format and print customized surveys with these modifications. There will be no indication of which SBP have been modified. Only those SBP shown in this document can be changed. Others are considered universally applicable (core) and will be included in all surveys. Many full-service utilities will find that changes to the standard survey are unnecessary.

Use the Standard Survey:

The standard survey contains 331 SBP in 26 BPCs for a joint water/wastewater utility, 261 SBP in 20 BPCs for a water-only utility, and 271 SBP in 22 BPCs for a wastewater-only utility. The standard survey can be used in any setting. It will apply best in full-service utility settings with conventional operations. If applied at other utilities, the survey may contain SBP that do not reflect some local practices. This may confuse some respondents and cause them to question the validity of the survey. Although the effects of these SBP can be ignored when the utility analyzes individual best practices, responses to them will affect mean

4. **Health & Safety Management**

   All SBP in this BPC are core.

5. **Emergency Planning & Response**

   SBP No. 5-8

Business Operations

6. **Capital Improvement Program**

   All SBP in this BPC are core.

7. **Strategic Planning**

   All SBP in this BPC are core.

8. **Finance & Fiscal Management**

   All SBP in this BPC are core.

9. **Plant & Real Property Management**

   SBP No. 9-3

10. **Engineering**

    All SBP in this BPC are core.

11. **Purchasing**

    All SBP in this BPC are core.

12. **Information Management**

    All SBP in this BPC are core.

Customer Relations

13. **Customer Service**

    All SBP in this BPC are core.

14. **Customer Strategy & Satisfaction**

    SBP No. 14-9

15. **Customer Accounts Management**

    SBP No. 15-9

16. **Government, Business, & Community Relations**

    All SBP in this BPC are core.

Wastewater Operations (This entire business system is deleted from surveys at water-only utilities.)

17. **Watershed Management**

    SBP No. 17-1
    SBP No. 17-5
    SBP No. 17-12

Water Operations (This entire business system is deleted from surveys at wastewater-only utilities.)

23. Water Resources Management

SBP No. 23-1
SBP No. 23-14
SBP No. 23-16
SBP No. 23-17

24. Water Treatment Operations & Maintenance

SBP No. 24-8
SBP No. 24-14
SBP No. 24-15
SBP No. 24-16

25. Water Distribution Operations & Maintenance

All SBP in this BPC are core.

26. Water Quality Management

SBP No. 26-1

Statement of Best Practice (SBP) Selection Form

(Mark the box next to one selection for inclusion in your utility's self-assessment survey.)

Business Process Category: Plant & Real Property Management (SBP No. 9-3)

☐ **Standard Joint Utility Survey Wording:**

This utility considers strategic purchases of property to protect the watershed and source water resources.

☐ **Water Utility That Only Uses Groundwater:**

Same as the standard joint utility survey wording.

☐ **Water Utility That Only Purchases Treated Water From Another Water Supply:**

This utility supports its water supplier when that utility considers strategic purchases of property to protect the source water resources.

☐ **Water Utility That Only Wholesales Treated Water for Distribution by Others:**

Same as the standard joint utility survey wording.

☐ **Wastewater Utility That Only Collects Wastewater for Treatment and Disposal by Others:**

Do not include in this self-assessment survey.

☐ **Wastewater Utility That Only Intercepts and Treats Wastewater Collected by Others:**

Do not include in this self-assessment survey

☐ **Not applicable at our utility because:**

_____

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Statement of Best Practice (SBP) Selection Form

(Mark the box next to one selection for inclusion in your utility's self-assessment survey.)

Business Process Category: Customer Accounts Management (SBP No. 15-9)

☐ **Standard Joint Utility Survey Wording:**

This utility has a program to properly calibrate meters and keep them in good repair to ensure accurate readings.

☐ **Water Utility That Only Uses Groundwater:**

Same as the standard joint utility survey wording.

☐ **Water Utility That Only Purchases Treated Water From Another Water Supply:**

Same as the standard joint utility survey wording.

☐ **Water Utility That Only Wholesales Treated Water for Distribution by Others:**

Same as the standard joint utility survey wording.

☐ **Wastewater Utility That Only Collects Wastewater for Treatment and Disposal by Others:**

Do not include in this self-assessment survey.

☐ **Wastewater Utility That Only Intercepts and Treats Wastewater Collected by Others:**

Do not include in this self-assessment survey.

☐ **Not applicable at our utility because:**

_____

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_____

Statement of Best Practice (SBP) Selection Form

(Mark the box next to one selection for inclusion in your utility's self-assessment survey.)

Business Process Category: Watershed Management (SBP No. 17-5)

☐ **Standard Joint Utility Survey Wording:**

This utility participates in a local and/or regional watershed monitoring program covering its receiving waters.

☐ **Wastewater Utility That Only Collects Wastewater for Treatment and Disposal by Others:**

This utility tracks local and regional watershed monitoring programs to assess their impact on the watershed.

☐ **Wastewater Utility That Only Intercepts and Treats Wastewater Collected by Others:**

Same as the standard joint utility survey wording.

☐ **Not applicable at our utility because:**

_____

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Statement of Best Practice (SBP) Selection Form

(Mark the box next to one selection for inclusion in your utility's self-assessment survey.)

Business Process Category: Wastewater Collection System O & M (SBP No. 18-5)

☐ **Standard Joint Utility Survey Wording:**

This utility conducts periodic flushing and cleaning of sewer system zones on a rotating schedule to prevent problems with backups and odors.

☐ **Wastewater Utility That Only Collects Wastewater for Treatment and Disposal by Others:**

Same as the standard joint utility survey wording.

☐ **Wastewater Utility That Only Intercepts and Treats Wastewater Collected by Others:**

Do not include in this self-assessment survey.

☐ **Not applicable at our utility because:**

_____

_____

_____

Statement of Best Practice (SBP) Selection Form

(Mark the box next to one selection for inclusion in your utility's self-assessment survey.)

Business Process Category: Wastewater Treatment O & M (SBP No. 19-1)

☐ **Standard Joint Utility Survey Wording:**

Plant operators at this utility have been trained and certified to do basic maintenance (such as lubrication) and minor repairs (such as a pump seal replacement).

☐ **Wastewater Utility That Only Collects Wastewater for Treatment and Disposal by Others:**

This utility has people on staff who fully understand wastewater treatment processes and offer support with training to maintain this capability.

☐ **Wastewater Utility That Only Intercepts and Treats Wastewater Collected by Others:**

Same as the standard joint utility survey wording.

☐ **Not applicable at our utility because:**

_____

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_____

Statement of Best Practice (SBP) Selection Form

(Mark the box next to one selection for inclusion in your utility's self-assessment survey.)

Business Process Category: Wastewater Treatment O & M (SBP No. 19-3)

☐ **Standard Joint Utility Survey Wording:**

This utility has made the necessary investment in resources and certified maintenance personnel to implement a successful preventive or predictive maintenance program.

☐ **Wastewater Utility That <u>Only</u> Collects Wastewater for Treatment and Disposal by Others:**

This utility has an effective program for monitoring the volume and quality of the wastewater it sends on for treatment by others.

☐ **Wastewater Utility That <u>Only</u> Intercepts and Treats Wastewater Collected by Others:**

Same as the standard joint utility survey wording.

☐ **Not applicable at our utility because:**

_____

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Statement of Best Practice (SBP) Selection Form

(Mark the box next to one selection for inclusion in your utility's self-assessment survey.)

Business Process Category: Wastewater Treatment O & M (SBP No. 19-5)

☐ **Standard Joint Utility Survey Wording:**

Treatment facilities have the necessary level of design redundancy to ensure that equipment breakdowns will not affect effluent quality.

☐ **Wastewater Utility That Only Collects Wastewater for Treatment and Disposal by Others:**

Do not include in this self-assessment survey.

☐ **Wastewater Utility That Only Intercepts and Treats Wastewater Collected by Others:**

Same as the standard joint utility survey wording.

☐ **Not applicable at our utility because:**

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Statement of Best Practice (SBP) Selection Form

(Mark the box next to one selection for inclusion in your utility's self-assessment survey.)

Business Process Category: Wastewater Treatment O & M (SBP No. 19-7)

☐ **Standard Joint Utility Survey Wording:**

This utility's treatment plant uses state-of-the-art process controls instrumentation (i.e., SCADA) to optimize treatment efficiency and to allow for periodic unmanned operation.

☐ **Wastewater Utility That <u>Only</u> Collects Wastewater for Treatment and Disposal by Others:**

Do not include in this self-assessment survey.

☐ **Wastewater Utility That <u>Only</u> Intercepts and Treats Wastewater Collected by Others:**

Same as the standard joint utility survey wording.

☐ **Not applicable at our utility because:**

_____

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Statement of Best Practice (SBP) Selection Form

(Mark the box next to one selection for inclusion in your utility's self-assessment survey.)

Business Process Category: Wastewater Treatment O & M (SBP No. 19-9)

☐ **Standard Joint Utility Survey Wording:**

Operators are available around the clock to respond quickly to newly identified problems at the treatment plant.

☐ **Wastewater Utility That Only Collects Wastewater for Treatment and Disposal by Others:**

Do not include in this self-assessment survey.

☐ **Wastewater Utility That Only Intercepts and Treats Wastewater Collected by Others:**

Same as the standard joint utility survey wording.

☐ **Not applicable at our utility because:**

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Statement of Best Practice (SBP) Selection Form

(Mark the box next to one selection for inclusion in your utility's self-assessment survey.)

Business Process Category: Wastewater Treatment O & M (SBP No. 19-12)

☐ **Standard Joint Utility Survey Wording:**

This utility has a computerized maintenance management system (CMMS).

☐ **Wastewater Utility That Only Collects Wastewater for Treatment and Disposal by Others:**

Do not include in this self-assessment survey.

☐ **Wastewater Utility That Only Intercepts and Treats Wastewater Collected by Others:**

Same as the standard joint utility survey wording.

☐ **Not applicable at our utility because:**

_____

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Statement of Best Practice (SBP) Selection Form

(Mark the box next to one selection for inclusion in your utility's self-assessment survey.)

Business Process Category: Wastewater Treatment O & M (SBP No. 19-14)

☐ **Standard Joint Utility Survey Wording:**

This utility has a formal quality assurance/quality control plan for its analytical laboratory facilities.

☐ **Wastewater Utility That <u>Only</u> Collects Wastewater for Treatment and Disposal by Others:**

Do not include in this self-assessment survey.

☐ **Wastewater Utility That <u>Only</u> Intercepts and Treats Wastewater Collected by Others:**

Same as the standard joint utility survey wording.

☐ **Not applicable at our utility because:**

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Statement of Best Practice (SBP) Selection Form

(Mark the box next to one selection for inclusion in your utility's self-assessment survey.)

Business Process Category: Biosolids Management (SBP No. 21-2)

☐ **Standard Joint Utility Survey Wording:**

If biosolids are applied to the land, they are applied at rates suitable for local soil management and crop production.

☐ **Wastewater Utility That <u>Only</u> Collects Wastewater for Treatment and Disposal by Others:**

This utility periodically evaluates the methods of treatment and disposal of biosolids used by its contractor.

☐ **Wastewater Utility That <u>Only</u> Intercepts and Treats Wastewater Collected by Others:**

Same as the standard joint utility survey wording.

☐ **Not applicable at our utility because:**

_____

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Statement of Best Practice (SBP) Selection Form

(Mark the box next to one selection for inclusion in your utility's self-assessment survey.)

Business Process Category: Biosolids Management (SBP No. 21-4)

☐ **Standard Joint Utility Survey Wording:**

This utility is using (or has formally evaluated) biosolids management methods that produce a salable by-product, such as compost, or that provide for other beneficial reuse, such as fertilizer for field crops.

☐ **Wastewater Utility That Only Collects Wastewater for Treatment and Disposal by Others:**

This utility has confidence that its contractor is treating and disposing of its biosolids effectively.

☐ **Wastewater Utility That Only Intercepts and Treats Wastewater Collected by Others:**

Same as the standard joint utility survey wording.

☐ **Not applicable at our utility because:**

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Statement of Best Practice (SBP) Selection Form

(Mark the box next to one selection for inclusion in your utility's self-assessment survey.)

Business Process Category: Biosolids Management (SBP No. 21-6)

☐ **Standard Joint Utility Survey Wording:**

This utility has effective methods for eliminating or managing odors from stored biosolids.

☐ **Wastewater Utility That <u>Only</u> Collects Wastewater for Treatment and Disposal by Others:**

Do not include in this self-assessment survey.

☐ **Wastewater Utility That <u>Only</u> Intercepts and Treats Wastewater Collected by Others:**

Same as the standard joint utility survey wording.

☐ **Not applicable at our utility because:**

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Statement of Best Practice (SBP) Selection Form

(Mark the box next to one selection for inclusion in your utility's self-assessment survey.)

Business Process Category: Biosolids Management (SBP No. 21-8)

☐ **Standard Joint Utility Survey Wording:**

A rigorous solids and biosolids monitoring program is being conducted and includes pathogens, metals, toxics, pH, and other parameters of local concern.

☐ **Wastewater Utility That <u>Only</u> Collects Wastewater for Treatment and Disposal by Others:**

Do not include in this self-assessment survey.

☐ **Wastewater Utility That <u>Only</u> Intercepts and Treats Wastewater Collected by Others:**

Same as the standard joint utility survey wording.

☐ **Not applicable at our utility because:**

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Statement of Best Practice (SBP) Selection Form

(Mark the box next to one selection for inclusion in your utility's self-assessment survey.)

Business Process Category: Wastewater Permitting/Air and Water Quality
(SBP No. 22-2)

☐ **Standard Joint Utility Survey Wording:**

This utility has a formal process in place to ensure that it consistently meets all federal or state/provincial discharge requirements.

☐ **Wastewater Utility That Only Collects Wastewater for Treatment and Disposal by Others:**

This utility understands the impact its wastewater has on the receiving utility's treatment processes and takes steps to ensure the quality and quantity of its wastewater fall within agreed limits.

☐ **Wastewater Utility That Only Intercepts and Treats Wastewater Collected by Others:**

Same as the standard joint utility survey wording.

☐ **Not applicable at our utility because:**

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Statement of Best Practice (SBP) Selection Form

(Mark the box next to one selection for inclusion in your utility's self-assessment survey.)

Business Process Category: Wastewater Permitting/Air & Water Quality
(SBP No. 22-5)

☐ **Standard Joint Utility Survey Wording:**

This utility has a routine sensor maintenance and calibration program to ensure reliability of control room readouts.

☐ **Wastewater Utility That Only Collects Wastewater for Treatment and Disposal by Others:**

Do not include in this self-assessment survey.

☐ **Wastewater Utility That Only Intercepts and Treats Wastewater Collected by Others:**

Same as the standard joint utility survey wording.

☐ **Not applicable at our utility because:**

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Statement of Best Practice (SBP) Selection Form

(Mark the box next to one selection for inclusion in your utility's self-assessment survey.)

Business Process Category: Wastewater Permitting/Air & Water Quality
(SBP No. 22-9)

☐ **Standard Joint Utility Survey Wording:**

This utility is effective in its negotiations with regulators for the re-issuance of its federal or state/provincial discharge permit.

☐ **Wastewater Utility That <u>Only</u> Collects Wastewater for Treatment and Disposal by Others:**

This utility collaborates with its receiving utility in preparation for re-issuance of that utility's federal or state/provincial discharge permit.

☐ **Wastewater Utility That <u>Only</u> Intercepts and Treats Wastewater Collected by Others:**

Same as the standard joint utility survey wording.

☐ **Not applicable at our utility because:**

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Statement of Best Practice (SBP) Selection Form

(Mark the box next to one selection for inclusion in your utility's self-assessment survey.)

Business Process Category: Wastewater Permitting/Air & Water Quality (SBP No. 22-14)

☐ **Standard Joint Utility Survey Wording:**

In the last 5 years, this utility has not violated air emission requirements.

☐ **Wastewater Utility That <u>Only</u> Collects Wastewater for Treatment and Disposal by Others:**

Do not include in this self-assessment survey.

☐ **Wastewater Utility That <u>Only</u> Intercepts and Treats Wastewater Collected by Others:**

Same as the joint utility survey wording.

☐ **Not applicable at our utility because:**

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Statement of Best Practice (SBP) Selection Form

(Mark the box next to one selection for inclusion in your utility's self-assessment survey.)

Business Process Category: Water Resources Management (SBP No. 23-1)

☐ **Standard Joint Utility Survey Wording:**

This utility has developed a protection program for source waters (watershed and/or groundwater recharge areas).

☐ **Water Utility That Only Uses Groundwater:**

This utility has developed a protection program for source waters (the groundwater recharge areas).

☐ **Water Utility That Only Purchases Treated Water From Another Water Supply:**

This utility is allied with its supplier to protect the water resources it relies on.

☐ **Water Utility That Only Wholesales Treated Water for Distribution by Others:**

Same as the standard joint utility survey wording.

☐ **Not applicable at our utility because:**

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Statement of Best Practice (SBP) Selection Form

(Mark the box next to one selection for inclusion in your utility's self-assessment survey.)

Business Process Category: Water Resources Management (SBP No. 23-16)

☐ **Standard Joint Utility Survey Wording:**

This utility effectively manages land areas critical to protecting its source water.

☐ **Water Utility That <u>Only</u> Uses Groundwater:**

Do not include in this self-assessment survey.

☐ **Water Utility That <u>Only</u> Purchases Treated Water From Another Water Supply:**

This utility allies with its water supplier to assure there is a safe and reliable supply well into the future.

☐ **Water Utility That <u>Only</u> Wholesales Treated Water for Distribution by Others:**

Same as the standard joint utility survey wording.

☐ **Not applicable at our utility because:**

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Statement of Best Practice (SBP) Selection Form

(Mark the box next to one selection for inclusion in your utility's self-assessment survey.)

Business Process Category: Water Treatment O & M (SBP No. 24-8)

☐ **Standard Joint Utility Survey Wording:**

The operations of the treatment plant and key unit treatment processes are continuously monitored.

☐ **Water Utility That <u>Only</u> Uses Groundwater:**

Same as the standard joint utility survey wording.

☐ **Water Utility That <u>Only</u> Purchases Treated Water From Another Water Supply:**

Consider substituting the following:

This utility monitors the quality of water provided to it.

☐ **Water Utility That <u>Only</u> Wholesales Treated Water for Distribution by Others:**

Same as the standard joint utility survey wording.

☐ **Not applicable at our utility because:**

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Statement of Best Practice (SBP) Selection Form

(Mark the box next to one selection for inclusion in your utility's self-assessment survey.)

Business Process Category: Water Treatment O & M (SBP No. 24-15)

☐ **Standard Joint Utility Survey Wording:**

This utility allows an operator to work alone only if that operator has restricted duties, thereby ensuring that the operator's personal safety is not compromised.

☐ **Water Utility That <u>Only</u> Uses Groundwater:**

Do not include in this self-assessment survey.

☐ **Water Utility That <u>Only</u> Purchases Treated Water From Another Water Supply:**

Do not include in this self-assessment survey.

☐ **Water Utility That <u>Only</u> Wholesales Treated Water for Distribution by Others:**

Same as standard joint utility survey wording.

☐ **Not applicable at our utility because:**

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Statement of Best Practice (SBP) Selection Form

(Mark the box next to one selection for inclusion in your utility's self-assessment survey.)

Business Process Category: Water Quality Management (SBP No. 26-1)

☐ **Standard Joint Utility Survey Wording:**

This utility participates in water quality optimization programs such as the Partnership for Safe Water.

☐ **Water Utility That Only Uses Groundwater:**

Do not include in this self-assessment survey.

☐ **Water Utility That Only Purchases Treated Water From Another Water Supply:**

Do not include in this self-assessment survey.

☐ **Water Utility That Only Wholesales Treated Water for Distribution by Others:**

Same as the standard joint utility survey wording.

☐ **Not applicable at our utility because:**

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_____

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION IX
75 Hawthorne Street
San Francisco, CA 94105
PACIFIC INSULAR AREA PROGRAM
FAX: (415) 947-3560
PHONE: (415) 972-3769

RECEIVED
APR 08 2002
1:10 pm SPC
GWA

TO: Bert Johnston, General Manager, GWA
Chris Lund, Water Division Director, GEPA

SUBJECT: Security Planning/Vulnerability Grants for Large Drinking Water Utilities

DATE: 4/4/02

FROM: Michael Lee
TITLE: Environmental Engineer/Guam Water Program Lead, CMD-5
PHONE: 415-972-3769

Bert,

Enclosed is the grant application package for the Security Planning Grants. Hope you get this before our Wednesday GWA Conference so we can go over whatever any quesrtions you may have to get the applications completed and submitted.

Sincerely,

Mike Lee
Pacific Islands Office
USEPA Region 9

U.S. Environmental Protection Agency

Water Infrastructure Security

Financial Assistance
Training
Vulnerability Assessment Tools
Emergency Response Tools
Technical Assistance
Information Sharing
Research

Security Planning Grants for Large Drinking Water Utilities

In response to the attacks of September 11, 2001 the U.S. EPA received a supplemental ap from Congress to improve the safety and security of the Nation's water supply. The $89 mill intended to reduce the vulnerability of water utilities to terrorist attacks and to enhance their and ability to respond to emergency situations.

Overview

EPA's goal is to help make drinking water and wastewater systems in the U.S. as safe as p soon as possible. To that end, EPA will apply the funds as follows:

- EPA is soliciting grant applications from publicly owned, large drinking water systems Request for Applications (RFA). Collectively, these large systems provide drinking wa nearly half of Americans served by public water systems. The grants may be used to vulnerability assessments, remediation planning and/or emergency plan developmen
- EPA will work with the States, tribes, and utility organizations to determine the best w meet small and medium drinking water and wastewater system needs. EPA will use a significant portion of the FY'02 funds to provide training, development and distributior and technical assistance.
- EPA will support state water security coordination activities, coordination and training for first responders (law enforcement, public health, utilities and all levels of governm investigation of security-related treatment and detection tools.

Large Drinking Water Grant Program

Who is Eligible?

EPA is soliciting grant applications from publicly owned drinking (potable) water utilities that serve populations over 100,000. This program is non-competitive, and all eligible utilities tha complete grant applications, as specified in the Request for Applications, will be considered awards. Utilities that submit applications early in the process may receive grant awards soo Although EPA cannot award grants to privately owned utilities due to EPA grant regulations, working on another way to provide support to these utilities.

How Do I Apply?

Eligible publicly owned utilities will be notification directly. No cost share or match is require Request for Application (RFA), which provides instructions may be obtained from http://www.epa.gov/safewater/security/rfa_large_grants.html. Proposals are due to the EPA office contact by 4 p.m. EST on Monday, April 29, 2002.

How May the Funds be Used?

The value of the grant will not exceed $115,000. The grant monies may be used to develop vulnerability assessment (VA), emergency response/operating plan (EOP), security enhanc plans and designs, or a combination of these efforts. Utilities may use grant funds for in-hou contract support, assuming demonstration of qualifications. Acceptable qualifications includ

training in performing VAs or technical qualifications to carry out all of the elements of a sati VA as defined in the RFA. An example of suitable training is that offered by Sandia National or companies trained by Sandia and licensed by them.

May I Request Reimbursement of Costs Previously Incurred?
To a limited extent - EPA's grant regulations only allow coverage of costs within 90 days pri grant award date. Allowable pre-award costs are for development of a VA by qualified in-hoı contractors, or for training on VAs, EOPs or remediation planning and/or emergency plan development. If the grant is not approved, the Government is not responsible for those pre-a costs incurred. Recognizing that some utilities have already begun vulnerability assessment EPA broadened the grant scope to include more security-related activities.

When Must the Vulnerability Assessment Be Completed?
Completion of the VA is required within 6 months of grant award or by the end of calendar y which ever is later. Other activities under the grant should be completed in a reasonable tim thereafter. If the utility is able to complete the project plan under budget, the grant may be a cover additional security planning activities within the project scope.

What are the Requirements for a Vulnerability Assessment?
A vulnerability assessment is a systematic analysis used to develop a security protection pl water supply, treatment, and distribution systems. It identifies a system's vulnerabilities and prioritized plan for security upgrades, modifications of operational procedures, and/or policy to mitigate identified risks to critical assets. The VA also provides a basis for comparing the protection against the risks posed. The Sandia National Laboratory VA methodology serves model for the recommended approach, but is not required.

What is the Definition of an Emergency Operating Plan (EOP)?
An EOP is a guide for water utilities upon which actions and decisions can be based to gove immediate response to an emergency. The intent of the EOP is to identify certain responsib delegated to various teams and employees, present details of the notification procedures, a describe alternate measures and response actions. The EOP is not intended to be inclusive situation or problem that arises and should be updated periodically for continued relevance viability. It must also comply with applicable state and local ordinances and requirements.

Will Physical Improvements or Construction Be Covered?
Funds can not be used for physical improvements since this is prohibited under the funding of Section 1442 of the Safe Drinking Water Act. States may allow Clean Water State Revolv (CWSRF) monies to be used for physical improvements at Publicly-Owned Wastewater Tre Works (POTWs), and Drinking Water State Revolving Funds (DWSRF) to be used by Public Systems. These funds may be used for a range of purposes, as described at http://www.epa.gov/safewater/dwsrf/security-fs.pdf

What Other Resources Are Available?
For more information, contact the Safe Drinking Water Hotline at 1-800-426-4791 or send a Water.Protection@epa.gov.

Financial Assistance
Training
Vulnerability Assessment Tools
Emergency Response Tools
Technical Assistance
Information Sharing
Research

Request for Applications--

Grants for
- Vulnerability Assessments,
- Emergency Operations Plans, and
- Security Enhancement Planning/Design at Large Drinking Water Utilities

March 28, 2002

TITLE

The Environmental Protection Agency (EPA) gives notice of this Request for Applications (RFA) for Federal Grants for Vulnerability Assessments, Emergency Operations Plans, and Security Enhancement Planning and Design at Large Drinking Water Utilities.

Important Note--- With respect to all items you provide in this grant application, do not provide specific discussion of any known or probable vulnerabilities at your facility or within your system. Do not provide any information in this application that would enable a hostile reader to gain knowledge that may be used to attack or damage your Utility.***

****UPDATES TO THIS RFA****

Please periodically refer to the EPA website containing this RFA for postings of supplemental information relevant to applying for these grants.

SUMMARY AND PURPOSE OF THIS GRANT PROGRAM

Presidential Decision Directive (PDD) 63 issued on May 22, 1998, calls for "...vulnerability assessments...for each sector of the economy and each sector of the government that might be a target of infrastructure attack intended to significantly damage the United States...", and "...within both the government and the private sector to sensitize people to the importance of security and to train them in security standards..." Under PDD 63, EPA was designated the lead federal agency to assess and address vulnerabilities of the Nation's water supply infrastructure. Likewise, the Office of Management and Budget directed EPA to work with water Utilities to "undertake measures to safeguard water supplies from terrorist and seditious acts."

Following the events of September 11, EPA received a supplemental appropriation to improve the safety and security of the Nation's water supply. The funding is intended to reduce the vulnerability of water Utilities to terrorist attacks and to enhance their security and ability to respond to emergency situations. In support of that goal, this grant program funds the following activities at the Nation's largest water Utilities:

- Development of a Vulnerability Assessment. This is the highest priority activity under this grant program, since it is the first step in understanding where your Utility can be damaged by a terrorist attack.
- Development of an Emergency Operations Plan

- Plan and Design Security Enhancements.

EPA is soliciting grant applications from publicly owned community water systems, referred to as "Utilities" in this RFA, that serve 100,000 or more people on a regular basis, that are interested in applying for Federal grants to fund a Vulnerability Assessment. If your Utility has a Vulnerability Assessment, your Utility may apply for funding for either or both of the other two work areas. EPA will award grants to all eligible Utilities. Each award will be up to $115,000 to be used for the three allowable activities cited above.

STATUTORY AUTHORITY

Sections 1442(a) and (c) of the Safe Drinking Water Act

REGULATORY AUTHORITY

40 CFR Part 31, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments:
http://www.access.gpo.gov/nara/cfr/cfrhtml_00/Title_40/40cfr31_00.html
EXIT disclaimer

ELIGIBILITY FOR THIS GRANT PROGRAM

The largest publicly owned community water systems-those servicing 100,000 or more people on a regular basis-are eligible to apply for this funding. Such Utilities must be publicly owned. Investor or privately-owned Utilities are not eligible for this program. (EPA is developing a plan to assist private utilities in similar work.)

DEFINITIONS OF TERMS USED IN THIS GRANT PROGRAM:

For purposes of this grant program solicitation, we provide the following definitions:

- Vulnerability Assessment (V/A). The definition of a satisfactory V/A and its components are discussed in detail below, under "What constitutes an acceptable Vulnerability Assessment for the purposes of determining appropriate work the Utility will perform under this grant program?"

-Emergency Operations Plan (EOP) is a guide for water Utilities upon which actions and decisions can be based to govern the immediate response to an emergency, including how a Utility will remedy the problems caused by the emergency and recover from it. The intent of the EOP is to identify certain responsibilities delegated to various teams and employees, present details of the notification procedures, and describe alternate measures and response actions. The EOP is not intended to be inclusive for each situation or problem that arises, and it should be updated periodically for continued relevance and viability. It must also comply with applicable state and local ordinances and requirements.

-Security Enhancement Planning and Design relate to the procedures and countermeasures to address deficiencies identified in the Vulnerability Assessment. Activities eligible for support include engineering analysis, management planning, and other planning and design of:

- Upgrades to detection, delay, and response systems;
- Upgrades to Utility equipment and operations, e.g., building in redundancy, minimizing hazards, and improving treatment capabilities;
- Additions and upgrades of security devices.

APPLICATION DUE DATES

EPA will consider all grant applications received on or before 4:00 pm Eastern Time, April 29, 2002, equating to one month time from today, the date EPA is sending

notification of this RFA to eligible Utilities. Proposals received after the due date may be funded, subject to continued availability of funds for this program.

Utilities ARE STRONGLY ENCOURAGED to apply for this program as soon as possible. This program is non-competitive, and all eligible Utilities that submit complete applications and satisfactory work plans as specified in this RFA will be considered for grant awards as quickly as possible. Utilities that submit applications early in the process may receive grant awards more quickly.

CONTACT FOR FURTHER INFORMATION

For further information, call the appropriate EPA Regional informational contact listed below under **WHERE TO APPLY** or the EPA Drinking Water Hotline number at 1-800-426-4791. Please tell the operator that you are calling with a question about the "Grants for Vulnerability Assessments Program."

ELIGIBLE WORK ACTIVITIES

What activities will the Agency fund under this grant program?

The following activities are eligible for funding under this grant program:

1. Vulnerability Assessment (V/A). Your Utility may apply for funding to develop or complete a Vulnerability Assessment (V/A) as defined below. If your Utility has a satisfactory V/A, skip to Item 2, below. If your Utility has not completed a satisfactory V/A, or has a partially completed V/A, your Utility may apply for funding to develop and/or complete a V/A that meets the definition of a satisfactory V/A. Your Utility must use these grant funds to complete its V/A before proceeding with the next two work areas, below.
   Your Utility may also expend a reasonable amount of these grant funds to train Utility staff in the performance of a V/A.

2. Emergency Operations Plans (EOP). If your Utility has or will complete a satisfactory V/A with funds received under item 1, above, your Utility may apply for funding to develop an EOP, as defined above in Definitions of Terms. Your Utility may also apply for funding to amend or update its EOP to meet new requirements or security threats.
   Your Utility may also expend a reasonable amount of these grant funds to train Utility staff in the development of an EOP.

3. Plans for and Designs of Security Enhancements. If your Utility has completed a satisfactory V/A, your Utility may apply for funding to plan and design security improvements that were identified in the V/A and/or were an outgrowth of the EOP. The funding MUST ONLY be applied to security enhancement planning/design and must NOT be used to fund construction or other physical improvements. This is a requirement of Section 1442 of the Safe Drinking Water Act, which EPA is using to award these grants.
   Your Utility may also expend a reasonable amount of these grant funds to train Utility staff in the development and design of appropriate security enhancements.

The total available grant funding offered under this Request for Applications may be used for the above work areas. If your Utility requires less than this amount to complete these three work areas, your Utility must apply for that reduced amount.

What constitutes a satisfactory Vulnerability Assessment for the purposes of determining appropriate work the Utility will perform under this grant program?

The Agency realizes that a V/A for a large drinking water Utility is a technically complex undertaking. A V/A must be prepared taking into account that particular Utility's unique siting, water source, treatment methods, equipment, and other factors.

The Agency realizes that security and safety evaluations can and must change over time, based on knowledge of new threats, new available technologies to enhance security, and new regulations (local, state, or federal) that may apply. Given these complexities and nuances, we offer the following definition of what the Agency will consider to be a "satisfactory" V/A, for the purposes of participation in this grant program.

The following components of a satisfactory V/A are intended to define a minimal requirement for a V/A that would assess and identify the most prudent measures and improvements to be undertaken by a Utility to provide a reasonable level of security and safety for continued uninterrupted operation as a water provider. The final responsibility for ensuring that your Utility has an adequate degree of security rests with your Utility.

A Satisfactory V/A is comprised of the following eight major elements and processes:

A V/A is a systematic analysis used to determine the malevolent risks posed to the operations of water supply, treatment, and distribution systems. A satisfactory V/A is a thorough and systematic evaluation of the water Utility system, characterized by the following elements:

1. Determination of water system objectives by:
    - Identifying the important missions/functions of the system to be assessed,
    - Identifying the undesirable consequences that could affect the missions/functions,
    - Determining the assets that need to be protected to minimize the impacts of the undesirable events/consequences,
    - Determining the malevolent acts that could reasonably cause these events/consequences.

2. Prioritization of adverse events/consequences affecting the water system and the surrounding community including:
    - Loss of critical function and/or major service disruption,
    - Intentional attack on public safety via water Utility assets, contamination of the water supply, and chemical releases or chemical theft.

3. Definition of how the malevolent acts might be conducted, such as:
    - Physical damage,
    - Chemical, biological, and radiological contamination,
    - Cyber attacks on the Supervisory Control and Data Acquisition (SCADA) or other process control systems,
    - Interdependency disruptions (e.g., electrical, transportation, etc.)

4. Assessment of the likelihood (qualitative probability) of such malevolent acts from defined threat sources (e.g. terrorist, insider, determined vandal, casual vandal, etc.)

5. Systematic site characterization of the water system to include the collection of performance data on:
    - Important facilities, processes, and assets,
    - Physical protection system features of deterrence, detection, delay, and response,
    - Cyber protection system features,
    - Security policies and procedures and compliance with same.

6. The approach to the V/A is "performance-based," meaning that it evaluates the

risk to the water system based on the effectiveness of the security system against the specific malevolent acts determined in the initial step.

7. The V/A determines the most critical assets (targets) in a water system, details their interrelationships within other assets in the system, identifies the consequences of malevolent acts that could be directed against them, and evaluates the effectiveness of both existing and proposed protection systems.

8. The V/A identifies a system's vulnerabilities and provides a prioritized plan for security upgrades, modifications of operational procedures, and/or policy changes to mitigate identified risks to critical assets. The V/A also provides a basis for comparing the cost of protection against the risks posed.

   The overall goal of the V/A is to develop recommendations that lead to a cost-effective, balanced security protection system with regards to the malevolent acts identified.

ASSEMBLING THE APPLICATION FOR THESE GRANTS

These instructions have been modified for this program only and do not apply to other Federal programs. To apply, you must submit all of the following documents, which will constitute a completed grant application. Each of these blank forms can be downloaded from this web site: http://www.epa.gov/ogd/AppKit/grant_application_forms.htm.

If any of the required forms are not submitted, EPA will contact you. Please make every effort to submit a complete application to avoid delays in processing your application.

___ SF-424 APPLICATION FOR FEDERAL ASSISTANCE:

The SF 424 is a standard Federal form to be used by applicants as a required cover sheet for this grant program.

1. Check the box marked "Non-Construction" under "Application."

2. Date application submitted to EPA and applicant's control number (if applicable to you).

3. Leave blank.

4. If your Utility is currently funded for a related project, enter present Federal identifier number. If not, leave blank.

5. Legal name of your Utility's organization, name of primary organizational unit which will undertake the grant activity, complete address of the applicant organization (including county), and name, telephone, FAX number, and email address of the person to contact on technical and administrative matters related to this application. The person named here need not be the same person named as the Authorized Representative on line 18.

6. Enter Employer Identification Number (EIN) as assigned by the Internal Revenue Service. You can obtain this number from your payroll office. It is the same Federal Identification Number which appears on W-2 forms.

7. Enter the appropriate letter in the space provided.

8. Check "New"

9. Enter "U.S. Environmental Protection Agency."

10. Leave blank. EPA will fill in the correct number.

11. Enter a brief descriptive title of the project.

12. List only the largest areas affected by the project (e.g., State, counties, cities).

13. Enter dates only.

14. In (a) list the Number of the Congressional District (i.e., 2nd Congressional District) where the Utility's organization is located; and in (b) any District(s) affected by the program or project. If your Utility's project covers work in several locations, several Congressional Districts will be listed. If you are not sure about the Congressional District, call the County Voter Registration Department.

15. Amount requested or to be contributed during the funding/budget period by each contributor:
    - Line (a) is for the amount of money your Utility is requesting from EPA.
    - Lines (b-e) are for the amounts either your Utility or another organization is providing for this project. This is optional under this grant program. No cost-share is required, but if your Utility expects to use its own or other funding to complete allowed activities, it should be listed here.
    - Line (f) is not applicable for this project

16. Circle "(YES)" EPA will manage this review. YOU DO NOT NEED TO FORWARD A COPY OF YOUR APPLICATION TO THE STATE POINT-OF-CONTACT UNDER THIS PROGRAM. Leave the "date" line blank.

17. This question applies to the applicant organization, not the person who signs as the authorized representative. Categories of debt include delinquent audit disallowances, loans and taxes.

18. The authorized representative is the person who is able to contract or obligate your Utility to the terms and conditions of the grant. (BE SURE TO SIGN THIS FORM, preferably with blue ink.) A copy of the authorization for you to sign this application as official representative must be on file in the applicant's office.

_____SF-424 A, BUDGET INFORMATION-NONCONSTRUCTION PROGRAMS

This is a standard Federal form used by applicants as a basic budget. These instructions **have** been modified for this grant program only and do not apply to other Federal programs.

(DO NOT fill in Sections A, C, D, E, or F.)

Complete Section B - Budget Categories - Columns (1), (2) and (5).

Fill in the total requirements for funds by object class categories. Please round figures to the nearest dollar.

All applications should contain a breakdown by the relevant object class categories shown in Lines (a-h): columns (1), (2), and (5) of Section B. Some lines may not apply to your application, and no figure need be entered in that case.

- Include Federal funds in column (1)

- Include non-Federal funds in Column 2. Important Note About Non-Federal Funds: If your Utility elects to reflect non-Federal funds (otherwise known as a "cost share") in this application, the amount should be included in the budget in column 2 of this form. Note that if your Utility includes the cost share in the budget, your Utility is obligated to expend the funds as shown. Since a cost share is not required under this

grant program, it need not be listed, and your Utility will not be obligated to expend those funds.

If your Utility does not elect to include its cost share on the budget, make no entry in column 2.

- Put the totals in column (5).

Line 6(i) - Show the totals of lines 6(a) through 6(h) in each column.

Line 6(j) - Show the amount of indirect costs. If your Utility does not already have an approved Indirect Cost Rate, you are required to provide appropriate documentation to support your indirect costs.

Line 6(k) - Enter the total of amounts of Lines 6(i) and 6(j).

Line 7 - Program Income - Enter $0

_____SF-424 B, ASSURANCES--NON-CONSTRUCTION PROGRAMS

___ SF LLL, DISCLOSURE OF LOBBYING ACTIVITIES (as revised in 1996), IF APPLICABLE Review the Certification Regarding Lobbying, cited below, to determine whether or not you need to complete the SF LLL.

____CERTIFICATION REGARDING LOBBYING

___ FORM 5700-49, CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS

___ EPA FORM 4700-4, PREAWARD COMPLIANCE REVIEW REPORT

NARRATIVE STATEMENT (WORK PLAN)

(This item is not a form found on the above-noted web site.) Please discuss the following in your Work Plan. **Narrative is limited to seven total pages for all elements named below; use conventional business-typeface (e.g., Courier, Times New Roman), single-sided, single-spaced text, 12-point font minimum:**

1. Work area(s) that will be performed under this grant (state all that apply):
   A. Vulnerability Assessment (V/A)
   B. Emergency Operations Plan
   C. Security Enhancement Planning and Design

   You may list as many work areas as you want to accomplish in this section, but remember that the funds EPA will provide are limited as stated earlier. If work costs will exceed the amount EPA provides, your Utility must provide the difference.

2. Technical Point of Contact (name, title, address, office phone number, fax phone number, Email address). This person should be capable of addressing EPA's requests for additional pre-proposal information, if required. You should also provide an additional contact in case the primary contact is not available.

3. Amount your Utility will add to the EPA amount to complete the proposed work (cost share) EPA does not require a cost share for this assistance program. We encourage all Utilities to perform as much work as possible to at least complete the Vulnerability Assessment by supplementing EPA's funds with those from your Utility.

4. Description of Your Utility's Water Service

   To be eligible for grants under this program, your Utility must be a publicly

owned community water system that serves 100,000 or more people on a regular basis. In support of this requirement, provide the following information:

- Public Water System Identification Number (PWS ID);
- Number of water treatment facilities within your system;
- Annual Average Daily Flow in million gallons/day for your system (total including your retail and wholesale customers);
- Number of service connections and the geographic area where these connections are located;
- Average number of people served per connection;
- Total number of people regularly served by your system (if you include the number of persons served by another Utility that purchases your water on a regular basis, also include that Utility's PWS ID and the population served by those PWS IDs).
- Other narrative, as appropriate, that supports the assertion that your Utility serves 100,000 or more people on a regular basis.

5. Project Description-

Items to include in the Project Description. ***Note***: **for all items you provide in the project description, or anywhere else in this grant application, do not provide specific discussion of any known or probable vulnerabilities at your facility or within your system! do not provide any information in this application that may be used by a hostile reader to attack or damage your Utility**:

Develop a Vulnerability Assessment If your Utility proposes to develop a V/A under this grant program, describe the steps it will take to develop the V/A, including the following items:

-Technical discussion of V/A development. Include, at a minimum, the technical approach to be used and the methodology (e.g., model developed by Sandia National Lab, or other known authority on vulnerability assessments) upon which the V/A will be based. This section must demonstrate that the V/A will conform to the definition of a satisfactory V/A stated above. You should address each of the eight major elements of the V/A separately.

--qualifications the persons/company possess that demonstrate their capability to perform a V/A. Acceptable qualifications include proof of training in performing Vulnerability Assessments. Examples of suitable training courses include the training provided by Sandia National Labs, or companies trained by Sandia and licensed by them. Your Utility may also contract with entities that posses the technical qualifications to carry out all of the elements of a satisfactory V/A as defined earlier in this RFA.

Complete a Vulnerability Assessment If your Utility proposes to complete a V/A that is already in-progress, under this grant program, describe what your Utility will do to bring it up to the definition of a satisfactory V/A presented earlier in this RFA.

Assertion that Your Utility Has a Completed V/A If you assert that your Utility has an acceptable V/A in place, you must describe how and why your Utility's V/A meets the definition of a satisfactory V/A presented earlier in this RFA. You must also describe the process it used to develop the V/A including the methodology applied.

Develop an Emergency Operations Plan and/or Plan and Design Security Enhancements You should describe your Utility's plans to develop its Emergency Operations Plan and/or its plans and designs to improve plant

security.

If your Utility has a satisfactory v/a, an eop, and has completed plans/designs for security enhacements, your Utility should not be applying for this grant funding.

6. Completion of the V/A is required within six months of grant award, or by the end of calendar year 2002, whichever is later, subject to the grant Terms and Conditions. If your Utility proposes to perform work other than a V/A, the schedule for completion of these other work areas should be described here.

   All work under this grant program should be complete by December 31, 2003. Utilities may request a later deadline for completion of work if significant extenuating circumstances exist.

7. If applying for funding to prepare a combination of a V/A, emergency operations plan, and/or security enhancements, list the amount proposed to be spent on each of these work areas. **Note that Utilities are allowed to use a reasonable amount of this grant funding for the purpose of attending training in the performance of the three work areas.**

___ DETAILED ITEMIZED BUDGET

The application must also contain a detailed budget description, and should conform to the following:

Personnel: List all participants in the project by position title. Give the percentage of the budget period for which they will be fully employed on the project (e.g., half-time for half the budget period equals 25%, full-time for half the budget period equals 50%, etc.). Give the annual salary and the total cost over the budget period for all personnel listed. Record the total also on Form 424A, Section B, Line 6a.

Fringe Benefits: Identify the percentage used, the basis for this computation, and the types of benefits included. Record on Form 424A, Section B, line 6b

Travel: If travel is budgeted, show number of trips, destinations, and purpose of travel as well as costs. Record also on Form 424A, Section B, line 6c

Equipment: Identify each item to be purchased which has an estimated acquisition cost of $5,000 or more per unit and a useful life of more than one year. Items with a unit cost of less than $5,000 are deemed to be supplies. remember that these grant funds cannot be used to fund physical plant improvements or construction. Allowable equipment includes only those items needed to complete a v/a, eop, or security plans/designs. Examples of allowable equipment include, but are not limited to, equipment needed to process information concerning current plant conditions, and diagnostic software for SCADA systems. Record also on Form 424A, Section B, Line 6d.

Supplies: "Supplies" means all tangible personal property other than "equipment." The budget detail should identify categories of supplies to be procured (e.g., laboratory supplies or office supplies). Record also on Form 424A, Section B, line 6e.

Contracts: Identify each proposed contract and specify its purpose and estimated cost. Consultants, also, should be itemized here. As you consider your Utility's contractual needs, you may want to look at the Agency's procurement requirements under grants.

Please go to http://www.epa.gov/epahome/cfr40.htm. At that site, click on "Chapter 1," "Subchapter B", and "Part 31". Then go to "31.36."

For your information, the maximum rate that EPA can reimburse for costs for

individual consultants is based on the maximum daily rate for a Level IV of the Executive Schedule, which is currently $498.32 (excluding overhead). The portion of consultant costs above this rate must be paid by your Utility. Record the total Contracts cost on Form 424A, Section B, line 6f.

Construction: Construction Costs are not allowable for this program.

Other: List each item in sufficient detail for EPA to determine the reasonableness and allowability of its cost. NOTE: The Utility may use a reasonable portion of this grant funding to pay for training in the performance of a V/A, EOP, and Security Enhancement Planning/Design.

Indirect Costs: Your Utility is not required to charge indirect costs. If indirect charges are budgeted, indicate the approved rate and base. Please indicate how indirect charges were calculated for this project, and remember to attach a copy of your current Utility's indirect cost rate agreement (next document noted below). If your Utility does not already have an approved Indirect Cost Rate, EPA will require your Utility to provide appropriate documentation to support indirect costs. Record total Indirect costs also on Standard Form 424A, Section B, Line 6j.

Note on Allowable Costs for this grant program: You can determine whether costs are allowable under Federal regulations by reviewing OMB Circular A-87 at http://www.whitehouse.gov/omb/circulars/a087/a087-all.html EXIT disclaimer .

EPA provides a general example of a completed budget at

http://www.epa.gov/ogd/hqgrant/form/budget%20sample.pdf .

___ COPY OF NEGOTIATED INDIRECT COST RATE AGREEMENT OR PROPOSAL IF AVAILABLE (ONLY REQUIRED IF THE RECIPIENT IS CHARGING INDIRECT COSTS)

___ DOCUMENTATION DEMONSTRATING THE QUALIFICATIONS OF THE PERSONS OR COMPANY TO COMPLETE THE PROJECT

Discuss the qualifications of persons (contractor, consultant, Utility in-house staff) who will perform the work, particularly in regard to the V/A, which is the most critical part of this grant program.

___ KEY CONTACT INFORMATION

(Not a form on the website) Please include the full name, title, address, phone number, and email address of the following individuals responsible for the grant:

- Authorized Representative - Original awards and amendments will be sent to this individual for review and acceptance, unless otherwise indicated.
- Payee - Individual authorized to accept payments.
- Administrative Contact - individual to contact concerning administrative matters, i.e., indirect cost rate computation, rebudgeting requests, etc.

EPA will evaluate all proposals and make a reasonable effort to work with eligible Utilities to improve a deficient proposal so that it can be approved. Official notification of the actual grant award will be made to the Utilities by EPA's Grants Administration Division in accordance with standard Agency practices.

PREAWARD COSTS

Because of the Agency's desire to improve water Utility security as soon as possible, grant applicants will be permitted to charge costs incurred up to 90 days before the grant award for the three work activities comprising this grant program. Also, Utilities may use a reasonable portion of the grant funding to procure training to perform the

work. Applicants must note that preaward costs are incurred at the risk of the applicant. If a grant is not awarded, for whatever reason, the Government is not liable for such costs.

WHERE TO APPLY:

Utilities applying for these grants are to send complete applications to the following addresses and parties under BOTH 1. and 2.

Since postal mail delays are to be expected that could inordinately delay EPA's receipt of applications, we require that applicants use an express mail or courier service to transmit applications to these addresses.

1. Deliver signed original and one copy to:

   US Environmental Protection Agency (4601M)
   Attention: Drinking Water Utility Security Grant Program
   Room 2104A EPA East Building
   1201 Constitution Ave, NW
   Washington, DC 20004

2. **Also, deliver one copy to** the appropriate EPA Regional office program contact at the address noted below, depending on the state where your Utility is located.

   EPA Region I -- CT, ME, MA, NH, RI, VT

   Kevin Reilly (CMA)
   Drinking Water Program
   US EPA Region 1
   One Congress Street
   Boston, MA 02114-2023.

   617-918-1694
   E-Mail: reilly.kevin@epa.gov

   EPA Region II -- NJ, NY, PR, VI

   Gerard McKenna
   Drinking Water Section
   US EPA Region 2
   24th Floor
   290 Broadway
   New York, NY 10007

   212-637-3838
   mckenna.gerard@epa.gov

   EPA Region III -- DC, DE, MD, PA, VA, WV

   Patti Kay Wisniewski
   Drinking Water Branch (3WP22)
   US EPA, Region 3
   1650 Arch Street
   Philadelphia, PA 19103-2029

   215-814-5668
   E-mail: wisniewski.patti-kay@epa.gov

   EPA Region IV -- AL, FL, GA, KY, MS, NC, SC, TN



Dale Froneberger
Drinking Water Section
US EPA Region 4
61 Forsyth Street, SW
Atlanta, GA 30303

404-562-9446
E-Mail: froneberger.dale@epa.gov

EPA Region V -- IL, IN, MI, MN, OH, WI

Nicholas Damato (WG-15J)
Ground Water/Drinking Water Branch
US EPA Region 5
77 West Jackson Blvd.
Chicago, Illinois 60604

312-886-0190
E-mail: damato.nicholas@epa.gov

Region VI -- AR, LA, NM, OK, TX

Joan Brown
Chief, Assistance Programs Branch (6WQA)
US EPA Region 6
Suite 1200
1445 Ross Ave.
Dallas, TX 75203-2773

214-665-7110
E-mail: brown.joan@epa.gov

Region VII -- IA, KS, MO, NE

Ralph Flournoy
US EPA Region 7
Drinking Water/Groundwater Branch
901 N. 5th St
Kansas City, KS 66101

913-551-7374
E-mail: flournoy.ralph@epa.gov

Region VIII -- CO, MT, ND, SD, UT, WY

Martha Swickard
US EPA Region 8 (Mail Code P-W-MS)
999 18th Street
Suite 500
Denver, CO 80202-2466

303-312-7021
E-Mail: swickard.marty@epa.gov

Region IX -- AZ, CA, HI, NV

Corine Li
Drinking Water Office (WTR-6)
US EPA Region 9
75 Hawthorne Street

San Francisco, CA 94105

415-972-3560
E-Mail: Li.corine@epa.gov

Region X -- AK, ID, OR, WA

Gene Taylor
Drinking Water Unit (OW-136)
US EPA Region 10
1200 6th Ave.
Seattle, WA 98101

206- 553-1389
E-mail: taylor.genem@epa.gov

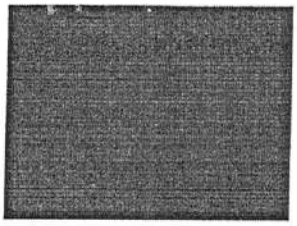
TERMS AND CONDITIONS TO BE APPLIED TO THESE GRANTS

1. Nondisclosure of work products; involvement with and oversight by States; Reporting Requirements
   EPA will not require Utilities to submit the products developed under this grant. These products include the V/A, EOP, and Security Enhancement Plans/Designs. A Term/Condition will be negotiated in the final grant award that will outline the procedure your Utility must follow to demonstrate to EPA that the projects performed under this grant program were satisfactorily completed. The following demonstrations of compliance with the tasks performed under these grants include the following:

   - Your Utility shall submit a signed statement that the proposed work has been completed in compliance with all grant requirements.
   - The EPA grant Project Officer will be permitted to view your Utility's V/A and other products, if requested. EPA will not require a printed copy of these documents.
   - Your Utility may be required to brief an appropriate state representative(s), as designated by EPA, on the work products. These briefings will not be required if such state representatives cannot assure that the information can be guarded from public release that could jeopardize the Utility's security.

2. Continuance and Completion of the three grant program work areas
   If the Utility underruns the federal funding awarded under this grant in support of the work area(s) proposed in its original work plan, the Utility may request approval from the EPA Grant Project Officer (PO) of a change in the workplan that includes additional work in the remaining grant work areas. For example, if a Utility proposes to perform a V/A for $115,000, but then completes the V/A for $100,000, the Utility may request that the PO approve the use of the remaining $15,000 for development of an EOP and/or to perform Security Enhancement Planning/Design.

3. Schedule for completing the items proposed.
   If your Utility proposes to complete a V/A with EPA funds, your Utility must complete the V/A by the end of calendar year 2002 or within six months from the date of this grant award, whichever is later. If federal legislation is later enacted that mandates an earlier deadline for completing the V/A, EPA shall provide notice to the Utility of such new deadlines, which may supercede the deadlines noted above.



Environmental Protection Agency
Drinking Water Vulnerability Assessment Grants



WORKSHOP ON
GRANTS APPLICATION & MANAGEMENT

April 5, 2002

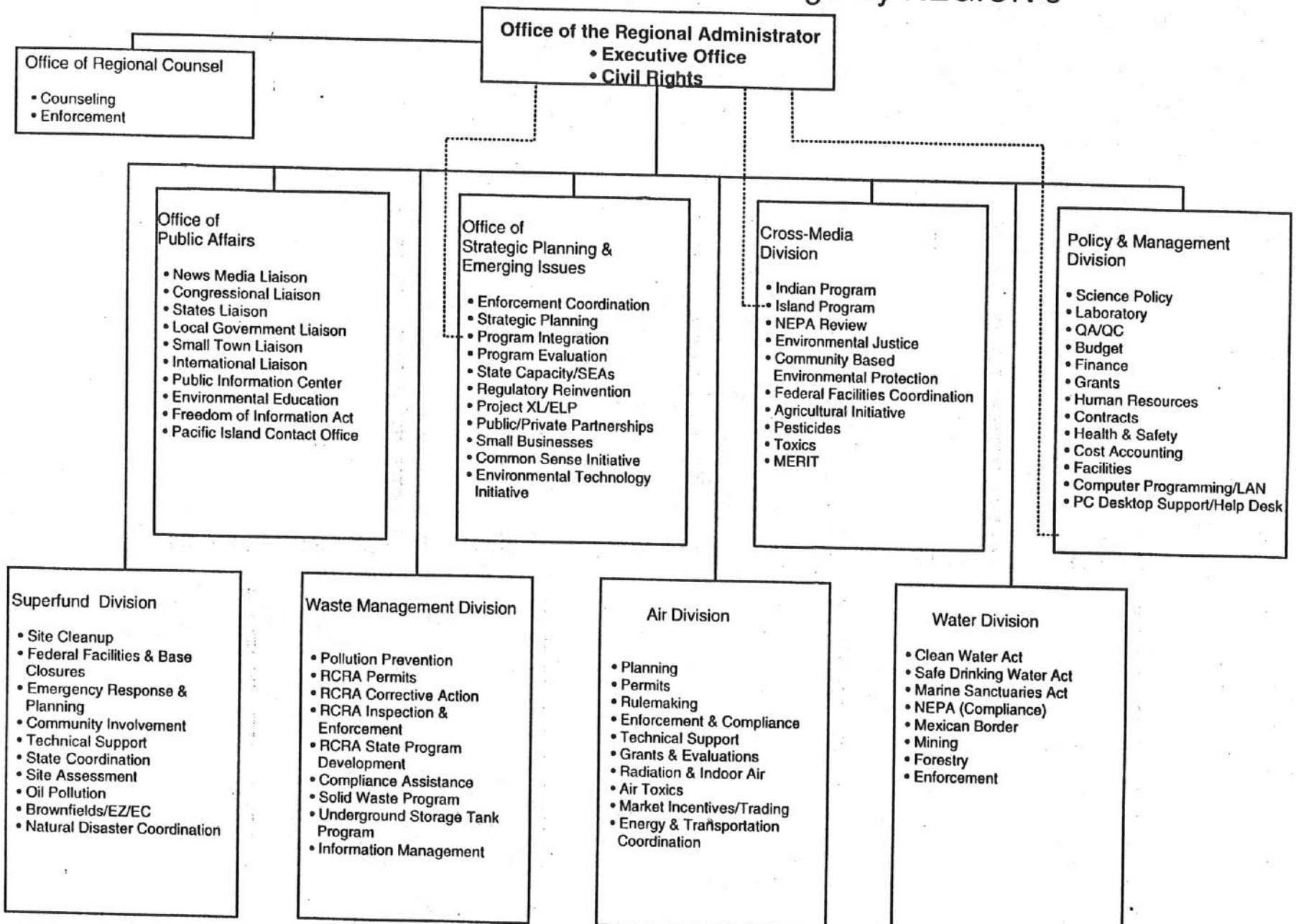
San Jose, California

Presented by:
U.S. EPA, Region 9

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US Environmental Protection Agency REGION 9



2-14-01

OMB CIRCULAR

OMB Circular A-87: (Applies to any Federal grant)	Cost Principles ☞ What costs are allowed in a grant? ☞ What costs cannot be budgeted in a grant? ☞ How can we charge overhead (indirect) costs? ☞ How do we track personnel costs? How much detail is necessary? ☞ Is the cost of our single audit allowable?

OMB = Office of Management and Budget

OMB CIRCULAR

OMB Circular A-133 : (Applies to any Federal grant) - incorporated into 40 CFR Part 31 (Appendix A)	Audit Requirements ☞ How often do we need an audit performed? ☞ Who must perform the audit? ☞ What does the audit cover? ☞ What kind of report is required?

OMB = Office of Management and Budget

ALLOWABILITY OF COSTS*

Some factors to consider

Allowable grant costs are:

1. Necessary and reasonable for the grant project being funded
2. Allocable to the grant project being funded
3. Authorized and not prohibited by law or regulation
4. Conform to limitations of laws, regulations, etc., and grant terms and conditions
5. Consistent with recipient's policies and procedures – same factors apply to both federal and non-federal activities/funds
6. Not included as a cost or used to meet a matching requirement for any other federal grant.
7. Consistent with generally accepted accounting principles
8. Adequately documented



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* 1) See OMB Circular A-87 (Cost Principles) for more detailed information, such as:
  - Attachment A, Section B. - Definitions of terms
  - Attachment A, Section C. - Basic Guidelines
  - Attachment B, 1-42 - Selected Items of Cost

2) See 40 CFR, Part 31

PROCUREMENT for STATES, LOCALS, and INDIAN TRIBES
SUMMARY

Applicable Regulations

40 CFR Part 31 –
General Regulations

40 CFR Part 31.36 and Part 31.38 –
Procurement Regulations under Assistance Agreements

Procurement Methods (Part 31.36)
(purchase of supplies, equipment, or services)

- All procurement transactions will be conducted in a manner providing full and open competition...[Part 31.36 (c)]

- Grantees will maintain a contract administration system which ensures that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders. [Part 31.36 (b)(2)]

- Grantees will maintain a written code of standards of conduct governing the performance of their employees engaged in the award and administration of contracts. [Part 31.36 (b)(3)]

There are four procurement methods that can be used. These methods are listed below with applicable **minimum requirements**. (Grant recipients can have more stringent requirements if they wish.)

1. *Small Purchase Procedures* (Part 31.36(d)(1)) ($100,000 or less)

   - o Obtain and document price quotations from an adequate (usually 3) number of sources; and

   - o Document your file (i.e., date, name of vendor, who you spoke to, price quoted, and any other criteria you used to make the selection).

2. *Sealed Bids* (Part 31.36(d)(2)) (over $100,000)

   - o A complete, adequate, and realistic specification or description of what is being purchased;

   - o At least 2 responsive, responsible bidders;

Minority Business Enterprise / Women's Business Enterprise (MBE/WBE)

Recipients of assistance agreements must comply with the six affirmative steps listed in 40 CFR Part 31.36(e) to ensure that minority and women-owned firms are used when possible.

See grant award condition for MBE/WBE reporting.

Subgrants (Part 31.37)

States must follow Part 31.37(a) when awarding and administering subgrants (i.e., financial assistance) to Tribal and local governments.

Tribes and local governments must follow Part 31.37(b) when awarding subgrants (i.e., financial assistance) to Tribal and local governments. The recipient will follow its own laws and procedures and must ensure the following:

(1) Include a provision to ensure that subgrantees are aware they must comply with applicable regulations as mentioned in (2) and (3) below.

(2) Ensure that every subgrant includes any clauses required by Federal Statute (this could vary program to program).

(3) Ensure that subgrantees are aware of Federal requirements imposed upon them by accepting the agreement.

GRANT AWARD

- ❑ Make sure that once your Agency receives the signed EPA grant award, all those working on the award (including accounting staff) read the award's conditions and note the budget/project period ending dates.

- ❑ Make sure that once your Agency has signed both originals of the award, one original signed award is returned to the appropriate EPA Grants Management Office. (Otherwise, you will not be able to be paid.)

- ❑ Make sure that your accounting staff, especially those responsible for grant payment requests, have a copy of the current signed grant award.

PAYMENT REQUESTS

- ❑ Check if the payment request expenses are within the award's project/budget start and end dates.

- ❑ Grant invoices may be paid after the grant ends, but the costs covered by those invoices must be incurred within the grant award's project/budget start and ending dates.

END OF GRANT-CLOSEOUT

- ❑ Check that no grant costs are incurred after the end of the project/budget period end date.

- ❑ Check that within 90 days after the grant's project/budget period ending dates, your Agency has requested all payment for the work done, has paid out all grant invoices, and has submitted a final Financial Status Report (SF-269A) to EPA.

- ❑ Check the condition in your grant award indicating the items you need to submit to certify completion of your work plan activities and the time line for submission of these items.

- ❑ Once the above are submitted to EPA and reviewed, EPA Accounting notifies your Accounting Office that all financial reconciliations are complete and you can financially close out the grant. (And the EPA Project Officer usually notifies your Agency that all the work plan commitments have been fulfilled, etc.)

****

GRANT APPLICATION

- SAMPLE -

APPLICATION FOR FEDERAL ASSISTANCE - GENERIC SIMPLE

2. DATE SUBMITTED MM / DD / YY	Applicant Identifier
3. DATE RECEIVED BY STATE	State Application Identifier
4. DATE RECEIVED BY FEDERAL AGENCY	Federal Identifier

1. TYPE OF SUBMISSION

Application	Preapplication
☐ Construction ■ Non-Construction	☐ Construction ☐ Non-Construction

5. APPLICANT INFORMATION

Legal Name: AZ RAGING WATERS

Organizational Unit: OFFICE OF RAPIDS

Address (give city, county, state, and zip code):
123 GRAND CANYON ROAD
LAVA FALLS, AZ 82109

Name and telephone number of the person to be contacted on matters involving this application (give ar
CHILLY WATERS
(819) 482-9346

6. EMPLOYER IDENTIFICATION (EIN):
1 2 - 3 4 5 6 7 8 9

7. TYPE OF APPLICANT: (enter appropriate letter here) C
A. State H. Independent School District
B. County I. State Controlled Institution of Higher Learning
C. Municipal Private University
D. Township K. Indian Tribe
E. Interstate L. Individual
F. Intermunicipal M. Profit Organization
G. Special District N. Other (Specify): _____

8. TYPE OF APPLICATION:
X New ☐ Continuation ☐ Revision
If Revision, enter appropriate letter(s) in box(es): ☐ ☐
A. Increase Award B. Decrease Award
C. Increase Duration D. Decrease Duration
Other Specify: _____

9. NAME OF FEDERAL AGENCY:
Environmental Protection Agency

10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER: 6 6 . X X X
TITLE: XXXXX (USE CFDA DESCRIPTION FOR YOUR PROGRAM)

11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT:
(SHOULD RELATE TO GRANT GUIDANCE & PROJECT DESCRIPTION SHOULD RELATE TO YOUR WORK PLAN.)

12. AREAS AFFECTED BY PROJECT (cities, counties, states, etc.):
DRY COUNTY

13. PROPOSED PROJECT: Start Date	End Date	14. CONGRESSIONAL DISTRICT OF: a. Applicant:	b. Project
8/1/02	1/30/03	4	4

15. Estimated Funding:

a. Federal	$ 426,656
b. Applicant	$
c. State	$
d. Local	$
e. Other	$
f. Program Income	$
g. TOTAL	426,656

16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS?

a. YES. THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESSES FOR REVIEW ON:
DATE XXX/XX

b. NO.
☐ PROGRAM IS NOT COVERED BY E.O. 12372
☐ OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW

17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT?
☐ Yes If "Yes" attach an explanation. X No

18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT, THE DOCUMENT HAS BEEN DUI AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE I

a. Typed Name of Authorized Representative: CRYSTAL GEYSER	b. Title: Director	c. Telephone Number (819) 482-5555
d. Signature of Authorized Representative: Crystal Geyser	-12-	e. Date Signed MM/DD/YY

ious Editions Not Usable

Standard Form 424

6 GENERIC SAMPLE

Budget Detail - Page 1

Personnel

Position/Title	Annual Salary	Percent of Time Assigned to Project	Amount	Total
Project Manager	$70,000	50%	$ 35,000	
Env. Specialist	$60,000	100%	60,000	
Env. Health Tech	$45,000	100%	45,000	
Accountant	$50,000	50%	25,000	
Total Personnel				$165,000
Fringe Benefits	- 20.0% of Basic Salary - Includes Retirement, Health Benefits, Annual & Sick Leave, and Life Insurance		$ 33,000	33,000

Travel

In-State Travel

Travel for meeting and inspections: 100 miles per trip @S.25 per mile, 40 trips	$ 1,000	

Out of State Travel -

Travel for EPA meetings		
- Per Diem - 4 people x $100 per night x 2 nights	$ 800	
- Airfare - 4 x $500 round trip	2,000	
- Incidental - 4 x $50	200	
	$ 3,000	
Total Travel		4,000

Equipment -	Level A Protective Clothing and Respirator Apparatus (2 @ $5,000)	$ 10,000	10,000
Supplies -	- Office Supplies	$ 2,000	
	- Laboratory Supplies (solvents, glassware reagents, rubber gloves,)	3,000	
	Total Supplies		5,000

WORK PLAN (Narrative Statement)

- Project Description
- ETC.

(See Grant Guidance for specifics to include in Work Plan)

GUIDE TO PREPARING BUDGET DETAIL

Budget information should be supported in at least the level of detail described below.

- **Personnel** - List all staff positions by title. Give annual salary, percentage of time assigned to the project, and total cost for the budget period.

- **Fringe Benefits** - Identify the percentage used, the basis for its computation, and the types of benefits included.

- **Travel** - Specify the mileage, per diem, estimated number of trips in-State and out-of-State, and other costs for each type of travel.

- **Equipment** - Identify each item to be purchased which has an estimated acquisition cost of $5,000 or more per unit and a useful life of more than one year. Items with a unit cost of less than $5,000 are deemed to be supplies, pursuant to 40 CFR 31.3 and 30.2.

- **Supplies** - "Supplies" means all tangible personal property other than "equipment". The budget detail should identify categories of supplies to be procured (e.g., laboratory supplies or office supplies).

- **Contractual** - Identify each proposed contract and specify its purpose and estimated cost.
- **Other** - List each item in sufficient detail for EPA to determine the reasonableness and allowability of its cost.

- **Indirect Charges** - If indirect charges are budgeted, indicate the approved rate and base.

GRANT AWARD

- SAMPLE -

SAMPLE AWARD GENERIC

H-XXXXXX-0 Page 1

U.S. ENVIRONMENTAL PROTECTION AGENCY

Grant Agreement

ASSISTANCE ID NO. PRG	DOC ID	AMEND#	DATE OF AWARD
H -	XXXXXX	- 0	
TYPE OF ACTION: New			MAILING DATE
PAYMENT METHOD: Advance			ACH#

RECIPIENT TYPE:
Township

Send Payment Request to:
Grants Management Office, PMD-7

RECIPIENT:
AZ RAGING WATERS
123 GRAND CANYON ROAD
Lava Falls, AZ 82109
EIN: 12-3456789

PAYEE:
AZ RAGING WATERS
123 GRAND CANYON ROAD
LAVA FALLS, AZ 82109

PROJECT MANAGER	EPA PROJECT OFFICER	EPA GRANT SPECIALIST
CHILLY WATERS OFFICE OF RAPIDS 123 GRAND CANYON ROAD LAVA FALLS, AZ 82109 E-Mail: chillyW@raging waters.gov Phone: (819) 482-9346	Marvin Young 75 Hawthorne Street, WTR-6 San Francisco, CA 94105 E-Mail: Young.Marvin@epa.gov Phone: 415-972-3561	Elizabeth Stahl GRANTS MANAGEMENT OFFICE, PMD-7 E-Mail: Stahl.Elizabeth@epa.gov Phone: 415-972-3662

PROJECT TITLE AND DESCRIPTION
Drinking Water Vulnerability Assessments

This assistance agreement provides a full award of $426,656 for your project: Vulnerability Assessment of Lava Falls Drinking Water Utility System.

BUDGET PERIOD	PROJECT PERIOD	TOTAL BUDGET PERIOD COST	TOTAL PROJECT PERIOD COST
08/01/2002 - 01/30/2003	08/01/2002 - 01/30/2003	$426,656.00	$426,656.00

NOTE: The Agreement must be completed in duplicate and the Original returned to the appropriate Grants Management Office listed below, within 3 calendar weeks after receipt or within any extension of time as may be granted by EPA. Receipt of a written refusal or failure to return the properly executed document within the prescribed time, may result in the withdrawal of the offer by the Agency. Any change to the Agreement by the Recipient subsequent to the document being signed by the EPA Award Official, which the Award Official determines to materially alter the Agreement, shall void the Agreement.

OFFER AND ACCEPTANCE

The United States, acting by and through the U.S. Environmental Protection Agency (EPA), hereby offers Assistance/Amendment to the AZ RAGING WATERS for 100.00 % of all approved costs incurred up to and not exceeding $426,656 for the support of approved budget period effort described in application (including all application modifications) cited in the Project Title and Description above, signed 07/01/2002 included herein by reference.

ISSUING OFFICE (GRANTS MANAGEMENT OFFICE)	AWARD APPROVAL OFFICE
ORGANIZATION / ADDRESS	ORGANIZATION / ADDRESS
U.S. EPA, Region 9 Grants Management Office, PMD-7 75 Hawthorne Street San Francisco, CA 94105	U.S. EPA, Region 9 Water Division 75 Hawthorne Street San Francisco, CA 94105

THE UNITED STATES OF AMERICA BY THE U.S. ENVIRONMENTAL PROTECTION AGENCY

SIGNATURE OF AWARD OFFICIAL	TYPED NAME AND TITLE	DATE
	Alexis Strauss, Director - Water Division	

This agreement is subject to applicable U.S. Environmental Protection Agency statutory provisions and assistance regulations. In accepting this award or amendment and any payments made pursuant thereto, (1) the undersigned represents that he is duly authorized to act on behalf of the recipient organization, and (2) the recipient agrees (a) that the award is subject to the applicable provisions of 40 CFR Chapter 1, Subchapter B and of the provisions of this agreement (and all attachments), and (b) that acceptance of any payments constitutes an agreement by the payee that the amounts, if any found by EPA to have been overpaid will be refunded or credited in full to EPA.

BY AND ON BEHALF OF THE DESIGNATED RECIPIENT ORGANIZATION

SIGNATURE	TYPED NAME AND TITLE	DATE
	Crystal Geyser, Director	

SAMPLE AWARD

Budget Summary Page

H ..XXXXX-0

Table A - Object Class Category (Non-construction)	Total A ...ved Allowable Budget Period Cost
1. Personnel	$165,000
2. Fringe Benefits	$33,000
3. Travel	$4,000
4. Equipment	$10,000
5. Supplies	$5,000
6. Contractual	$137,325
7. Construction	$0
8. Other	$11,200
9. Total Direct Charges	$365,525
10. Indirect Costs: 25.00% Base 244,525	$61,131
11. Total (Share: Recipient 0.00 % Federal 100.00 %.)	$426,656
12. Total Approved Assistance Amount	$426,656
13. Program Income	$0

Detailed Table B Budget Page: 1

Table B - Program Element Classification (Non-construction)	Total Approved Allowable Budget Period Cost
1. TABLE A, LINE 10, INDIRECT COSTS	$
2. ARE BASED ON A COST ALLOCATION	$
3. PLAN ON FILE FOR FY-02.	$
4.	$
5.	$
6.	$
7.	$
8.	$
9.	$
10.	$
11. Total (Share: Recip % Fed %)	$
12. Total Approved Assistance Amount	$

If the recipient does not want to rely on the applicable State's MBE/WBE "fair share" goals, the recipient agrees to submit proposed MBE/WBE "fair share" goals based on availability of qualified minority and women-owned businesses to do work in the relevant market for construction, services, supplies, and equipment.

"Fair share" objectives must be submitted to Joe Ochab, PMD-1, within 30 days of award and approved by EPA no later than 30 days thereafter.

b) Ensure to the fullest extent possible that at least the applicable "fair share" objective {see a) above} of Federal funds for prime contracts for supplies, construction, equipment or services are made available to organizations owned or controlled by socially and economically disadvantaged individuals, women and historically black colleges and universities.

c) Include in its bid documents applicable "fair share" objectives {see a) above}and require all of its prime contractors to include in their bid documents for subcontracts the negotiated fair share percentages.

d) Follow the six affirmative steps stated in 40 CFR Section 30.44(b), Section 31.36(e), Section 35.3145(d), or Section 35.6580(a), as appropriate.

e) In the event race and/or gender neutral efforts prove to be inadequate to achieve a fair share objective for MBE/WBEs, the recipient agrees to notify EPA in advance of any race and/or gender conscious action it plans to take to more closely achieve the fair share objective.

f) Until the recipient has completed its fair share negotiations with EPA, it agrees to apply the main State agency's fair share objectives. Once the recipient has completed its fair share negotiations with EPA, it will apply those objectives. The recipient also agrees to include in its bid documents the applicable FY-1999 "fair Share" objectives and require all of its prime contractors to include in their bid documents for subcontracts the applicable FY 1999 "fair share" percentages and to comply with paragraphs (c) through (e) above.

7. The recipient agrees that indirect costs authorized in this award will be charged in accordance with the Negotiated Indirect Cost Rate Agreement (ICA). Indirect costs are not authorized and may not be requested for reimbursement for periods not covered by the Negotiated ICA.

OR

The cost principles of OMB Circular **A-87** are applicable to this award. Since there are no indirect costs included in the assistance budget, they are not allowable under this Assistance Agreement.

OR

Indirect costs are authorized under this assistance agreement in accordance with the cost principles of OMB Circular **A-87** and the indirect cost rate **proposal/cost** allocation plan completed by the recipient. The recipient agrees to retain and make available to EPA a copy of the indirect cost rate **proposal/cost** allocation plan upon request, if

GRANT
REQUEST FOR PAYMENT

- SAMPLE-

REQUEST FOR ADVANCE OR REIMBURSEMENT

SAMPLE

(See instructions on back)

OMB APPROVAL NO. 0348-0004

PAGE ____ OF ____ PAGES

1. TYPE OF PAYMENT REQUESTED
a. "X" one or both boxes: ☒ ADVANCE ☒ REIMBURSEMENT
b. "X" the applicable box: ☐ FINAL ☒ PARTIAL

2. BASIS OF REQUEST: ☒ CASH ☐ ACCRUAL

3. FEDERAL SPONSORING AGENCY AND ORGANIZATIONAL ELEMENT TO WHICH THIS REPORT IS SUBMITTED
Environmental Protection Agency

4. FEDERAL GRANT OR OTHER IDENTIFYING NUMBER ASSIGNED BY FEDERAL AGENCY
H-xxxxxxxxxx-0

5. PARTIAL PAYMENT REQUEST NUMBER FOR THIS REQUEST
1

6. EMPLOYER IDENTIFICATION NUMBER
12-3456789

7. RECIPIENT'S ACCOUNT NUMBER OR IDENTIFYING NUMBER
xxx-000

8. PERIOD COVERED BY THIS REQUEST
FROM (month, day, year): 8/1/02
TO (month, day, year): 9/30/02

9. RECIPIENT ORGANIZATION
Name: AZ RAGING WATERS
Number and Street: 123 Grand Canyon Rd.
City, State and ZIP Code: Lava Falls, AZ 92109

10. PAYEE (Where check is to be sent if different than item 9)
Name: SAME
Number and Street:
City, State and ZIP Code:

11. COMPUTATION OF AMOUNT OF REIMBURSEMENTS/ADVANCES REQUESTED

PROGRAMS/FUNCTIONS/ACTIVITIES ►	(a)	(b)	(c)	TOTAL
a. Total program outlays to date (As of date) 8/31/02	$	$	$	$ 5,000
b. Less: Cumulative program income				–0–
c. Net program outlays (Line a minus line b)				5,000
d. Estimated net cash outlays for advance period				$10,000
e. Total (Sum of lines c & d)				15,000
f. Non-Federal share of amount on line e				–0–
g. Federal share of amount on line e				15,000
h. Federal payments previously requested				–0–
i. Federal share now requested (Line g minus line h)				$15,000
Advances required by month, when requested by Federal grantor agency for use in making prescheduled advances — 1st month				
2nd month				
3rd month				

12. ALTERNATE COMPUTATION FOR ADVANCES ONLY

Estimated Federal cash outlays that will be made during period covered by the advance	$
Less: Estimated balance of Federal cash on hand as of beginning of advance period	
Amount requested (Line a minus line b)	$

AUTHORIZED FOR LOCAL REPRODUCTION

(Continued on Reverse)

STANDARD FORM 270 (Rev. 7-97)
Prescribed by OMB Circulars A-102 and A-110

GRANT
FINANCIAL STATUS REPORT

- SAMPLE -

FINANCIAL STATUS REPORT – SAMPLE

(Short Form)

(Follow instructions on the back)

1. Federal Agency and Organizational Element to Which Report is Submitted	2. Federal Grant or Other Identifying Number Assigned By Federal Agency	OMB Approval No.	Page	of
U.S. EPA – REGION 9 PMD-7 SAN FRANCISCO, CA	H -XXXXXXXX-0	0348-0039		pages

3. Recipient Organization (Name and complete address, including ZIP code)
AZ RAGING WATERS
123 Grand Canyon Road
Lava Falls, AZ 92109

4. Employer Identification Number	5. Recipient Account Number or Identifying Number	6. Final Report	7. Basis
12-3456789	xxx-000	☒ Yes ☐ No	☐ Cash ☒ Accrual

8. Funding/Grant Period (See Instructions) From: (Month, Day, Year)	To: (Month, Day, Year)	9. Period Covered by this Report From: (Month, Day, Year)	To: (Month, Day, Year)
8/1/02	1/30/03	8/1/02	1/30/03

10. Transactions:	I Previously Reported	II This Period	III Cumulative
a. Total outlays (total actual amount spent on project)			425,000
b. Recipient share of outlays			-0-
c. Federal share of outlays			425,000
d. Total unliquidated obligations (total amount committed, but bills not paid yet)			-0-
e. Recipient share of unliquidated obligations			-0-
f. Federal share of unliquidated obligations			-0-
g. Total Federal share (Sum of lines c and f) (total federal share against project)			425,000
h. Total Federal funds authorized for this funding period (total federal funds awarded to date)			426,656
i. Unobligated balance of Federal funds (Line h minus line g) (total federal funds left)			1,656

11. Indirect Expense	a. Type of Rate (Place "X" in appropriate box) ☐ Provisional ☐ Predetermined ☐ Final ☒ Fixed	b. Rate	c. Base	d. Total Amount	e. Federal Share
		*see remarks	*see remarks	see remarks	$5,505

12. Remarks: Attach any explanations deemed necessary or information required by Federal sponsoring agency in compliance with governing legislation.

* 8/1/02-12/31/02 = 10.10% $14,505 = $1,465
1/1/03-1/31/03 = 9.80% $41,225 = $4,040

13. Certification: I certify to the best of my knowledge and belief that this report is correct and complete and that all outlays and unliquidated obligations are for the purposes set forth in the award documents.

Typed or Printed Name and Title	Telephone (Area code, number and extension)
Esther williams, Accounting Officer	819-482-9999
Signature of Authorized Certifying Official	**Date Report Submitted**
Esther Williams	4/1/03

Previous Editions not Usable

Standard Form 269A (REV 4-88)
Prescribed by OMB Circulars A-102 and A-110

GRANT TRACKING
- PERSONNEL TIME, COSTS, ETC. -

FEDERAL/NON-FEDERAL TOTAL PROJECT COSTS SAMPLE

AREA OF COST	SUPPORTING DOCUMENTATION
PAYROLL	- Time Attendance Records - Time Attendance Amendments - Worksheet showing fringe benefit calculations (If not calculated by accounting system)
TRAVEL	- Authorization (including purpose of trip) - Vouchers showing: Starting point and destination Transportation Method Number and names of persons on trip - Receipts (airline, hotel, etc.) - Proof of Payment
TRAINING	- Authorization - Proof of Payment
CONTRACTOR SERVICES	- Contract - Contractor Invoices - Recipient approval of Invoices - Proof of Payment
SUPPLIES/ EQUIPMENT	- Invoices - Hourly records of equipment use - Proof of Payment
INDIRECT COST	- Rate Documentation Package required by cognizant agency - Cost Rate Agreement

RECORD RETENTION REQUIREMENTS

EPA Assistance Agreements

TYPE OF RECORD	*LENGTH OF RETENTION*	*APPLICABLE GRANT REGULATIONS*
Grant recipient's records **(all financial, program, and other records which support or are pertinent to grant agreement or to grant regulations)**	3 years from date of submission of final Financial Status Report to EPA **OR** if any litigation, audit, etc. occurs, until that litigation, audit, etc. and its resolution are completed **---- whichever is later**	40 Code of Federal Regulations (CFR), Part 31.42 (b)
Records maintained by grant recipient's contractor	3 years after grant recipient makes final payment to contractor and all other pending matters are closed	40 CFR, Part 31.36. (i)(11)

COMMON AUDIT FINDINGS

- SUPPORTING DOCUMENTATION

  Source documentation lacks sufficient information (e.g. travel authorizations not signed by approval official or insufficient justification; timesheets do not reflect actual hours worked or do not delineate the hours worked on various federal and non-federal projects).

- TRACKING MULTIPLE GRANTS

  Inappropriate accounting system (e.g. financial records do not delineate various funding sources, whether they be federal or non-federal).

- WRITTEN POLICIES AND PROCEDURES

  No written policies/procedures for procurement, travel, training, or payroll/time and attendance.

- INTERNAL CONTROLS

  Internal policies and procedures do not ensure "checks and balances" (e.g. no segregation of various duties, approval official also acts as accounts payable official)

GLOSSARY

Administrative Requirements
Those matters common to grants in general, such as financial management, kinds and frequency of reports, and retention of records. These are distinguished from programmatic requirements, which concern matters that can be treated only on a program-by-program or grant-by-grant basis, such as activities that can be supported by grants under a particular program.

Allocable Costs
A cost is allocable to a particular cost objective if the goods or services involved are chargeable or assignable to such cost objective in accordance with relative benefits received.

Allowable Costs
Those project costs that are: eligible, reasonable, necessary, and allocable to the project; permitted by the appropriate Federal cost principles; and, approved by EPA in the assistance agreement.

Amendment
A formal amendment is a written modification of a grant or cooperative agreement (award) signed by both the EPA Award Official and the authorized representative of the grantee.

Applicant
Any entity that files a formal application or unsolicited proposal for EPA financial assistance.

Assistance Agreement
The legal instrument EPA uses to transfer money, property, services or anything of value to a recipient to accomplish a public purpose. It is either a grant or a cooperative agreement and will specify: budget and project periods; the Federal share of total eligible project costs; a description of the work to be accomplished (i.e., work plan or work program); and any terms or conditions.

Audit Finding
Deficiencies which an auditor is required to report in the schedule of findings and questioned costs.

Award
a. Financial assistance that provides support or stimulation to accomplish a public purpose. Awards include grants, cooperative agreements and other agreements in the form of money or property in lieu of money by the Federal government to an eligible grantee.
b. Grants, cooperative agreements, cost reimbursement contracts and other agreements between a State, Tribe, or local agency and the Federal government.

Budget Period
The length of time EPA specifies in an assistance agreement during which the recipient may expend or obligate Federal funds. The budget period usually coincides with the project period.

Closeout
a. The process by which a Federal awarding agency determines that all applicable administrative actions and all required work of the award have been completed by grantee and Federal awarding agency.
b. The final EPA actions to assure satisfactory completion of project work and administrative requirements: the submission of acceptable required project reports and/or work products; financial settlement (i.e., financial reconciliation); the resolution of any outstanding issues under a grant or cooperative agreement; and EPA notification to the grantee.

GLOSSARY

Indirect Cost Rate Agreement
An agreement between the grantee and the cognizant Federal agency which identifies the basis for the indirect cost rate.

In-Kind Contribution
The value of a non-cash contribution to meet a grantee's cost-sharing requirements. An in-kind contribution may consist of charges for real property and equipment or the value of goods and services directly benefitting the EPA-funded project or program.

Internal Control
A process, effected by an entity's management and other personnel, designed to provide reasonable assurance regarding the achievement of objectives in the following categories: effectiveness and efficiency of operations; reliability of financial reporting; and compliance with applicable laws and regulations.

Matching Funds
The portion of the total allowable project costs a grantee contributes to a Federally-funded project or program. The match may include in-kind or third party in-kind, as well as cash contributions.

Negotiation
The process of give and take by EPA Project Officers and grant applicants to agree on work plans, or work programs, and funds available to carry out the objectives and activities.

Outcome
The environmental result, effect, or consequence that will occur from carrying out an environmental program or activity that is related to an environmental or program goal or objective. Outcomes must be quantitative, and they may not necessarily be achievable during a grant funding period.

Output
An environmental activity or effort and associated work products related to an environmental goal or objective that will be produced or provided over a period of time or by a specified date. Outputs may be quantitative or qualitative but must be measurable during a grant funding period.

Prior Approval
Documentation evidencing consent prior to incurring specific cost.

Project Narrative (see also "Work Plan")
The document which identifies how and when the applicant will use program funds to produce specific work outputs or work products.

Project Period
a. The period established in the award document during which Federal sponsorship begins and ends.
b. The length of time EPA specifies in the grant or cooperative agreement for completion of all project work.
c. The project period usually coincides with the budget period.

(Reg.9-3/28/02

GRANT APPLICATION KIT CHECKLIST

Re: Grants for Vulnerabilty Assessments, etc. (New Program - March 2002)
Make sure the following items are included in your submitted Application for Federal Assistance:

1. _____ **ORIGINAL** & 2 COPIES OF APPLICATION
(See Grant Guidance for where to send original and copies)

2. _____ AUTHORIZED **ORIGINAL SIGNATURE** ON APPLICATION (SF-424)

3. _____ DETAILED ITEMIZED BUDGET

4. _____ WORKPLAN (Narrative statement)

5. _____ INDIRECT COST RATE AGREEMENT or COST ALLOCATION PLAN ON FILE (if indirect costs budgeted) - as required per OMB Circular A-87.

6. _____ KEY CONTACTS - LIST

FORMS/CERTIFICATIONS:

7. _____ ASSURANCES -NON -CONSTRUCTION PROGRAMS, Form 424B
(ORIGINAL SIGNATURE)

8. _____ CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS **(ORIGINAL SIGNATURE)**

9. _____ CERTIFICATION REGARDING LOBBYING **(ORIGINAL SIGNATURE)** & DISCLOSURE OF LOBBYING (-IF APPLICABLE)
- Applicable to awards when Federal amount is greater than $100,000

10. _____ PREAWARD COMPLIANCE REVIEW REPORT, Form 4700-4,
(ORIGINAL SIGNATURE)

OTHER:

11. _____ INTERGOVERNMENTAL REVIEW -State EO 12372 process
- See Grant Guidance

12. _____ ONE SELF-ADDRESSED ENVELOPE
- (If you want to receive notification of receipt)

Please mail ORIGINAL AND ONE Copy to:
U.S. EPA - Washington D.C.
Use address in Guidance

AND

Please mail ONE Copy to:
U.S. EPA - Region ____
Use address in Guidance for your REGION

OMB Approval No. 0348-0043

APPLICATION FOR FEDERAL ASSISTANCE

		2. DATE SUBMITTED	Applicant Identifier
1. TYPE OF SUBMISSION: Application ☐ Construction ☐ Non-Construction	Preapplication ☐ Construction ☐ Non-Construction	3. DATE RECEIVED BY STATE	State Application Identifier
		4. DATE RECEIVED BY FEDERAL AGENCY	Federal Identifier

5. APPLICANT INFORMATION Legal Name:	Organizational Unit:
Address *(give city, county, State, and zip code):*	Name and telephone number of person to be contacted on matters involving this application *(give area code)*
6. EMPLOYER IDENTIFICATION NUMBER *(EIN):* ☐☐ – ☐☐☐☐☐☐☐	7. TYPE OF APPLICANT: *(enter appropriate letter in box)* ☐ A. State H. Independent School Dist. B. County I. State Controlled Institution of Higher Learning C. Municipal J. Private University D. Township K. Indian Tribe E. Interstate L. Individual F. Intermunicipal M. Profit Organization G. Special District N. Other (Specify) _____
8. TYPE OF APPLICATION: ☐ New ☐ Continuation ☐ Revision If Revision, enter appropriate letter(s) in box(es) ☐ ☐ A. Increase Award B. Decrease Award C. Increase Duration D. Decrease Duration Other *(specify):* _____	9. NAME OF FEDERAL AGENCY:
10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER: ☐☐ – ☐☐☐ TITLE:	11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT:
12. AREAS AFFECTED BY PROJECT *(Cities, Counties, States, etc.):*	

13. PROPOSED PROJECT		14. CONGRESSIONAL DISTRICTS OF:	
Start Date	Ending Date	a. Applicant	b. Project

15. ESTIMATED FUNDING:		16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS?
a. Federal	$ .00	a. YES. THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON: DATE _____
b. Applicant	$ .00	
c. State	$ .00	
d. Local	$ .00	b. No. ☐ PROGRAM IS NOT COVERED BY E. O. 12372 ☐ OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW
e. Other	$ .00	
f. Program Income	$ .00	17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT? ☐ Yes If "Yes," attach an explanation. ☐ No
g. TOTAL	$ .00	

18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT, THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED.

a. Type Name of Authorized Representative	b. Title	c. Telephone Number
d. Signature of Authorized Representative		e. Date Signed

Previous Edition Usable
Authorized for Local Reproduction

Standard Form 424 (Rev. 7-97)
Prescribed by OMB Circular A-102

BUDGET INFORMATION - Non-Construction Programs

OMB Approval No. 0348-0044

SECTION A - BUDGET SUMMARY

Grant Program Function or Activity (a)	Catalog of Federal Domestic Assistance Number (b)	Estimated Unobligated Funds		New or Revised Budget		
		Federal (c)	Non-Federal (d)	Federal (e)	Non-Federal (f)	Total (g)
1.		$	$	$	$	$
2.						
3.						
4.						
5. Totals		$	$	$	$	$

SECTION B - BUDGET CATEGORIES

6. Object Class Categories	GRANT PROGRAM, FUNCTION OR ACTIVITY (1)	(2)	(3)	(4)	Total (5)
a. Personnel	$	$	$	$	$
b. Fringe Benefits					
c. Travel					
d. Equipment					
e. Supplies					
f. Contractual					
g. Construction					
h. Other					
i. Total Direct Charges *(sum of 6a-6h)*					
j. Indirect Charges					
k. TOTALS *(sum of 6i and 6j)*	$	$	$	$	$
7. Program Income	$	$	$	$	$

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Standard Form 424A (Rev. 7-97)
Prescribed by OMB Circular A-102

Previous Edition Usable

SECTION C - NON-FEDERAL RESOURCES

(a) Grant Program	(b) Applicant	(c) State	(d) Other Sources	(e) TOTALS
8.	$	$	$	$
9.				
10.				
11.				
12. TOTAL *(sum of lines 8-11)*	$	$	$	$

SECTION D - FORECASTED CASH NEEDS

	Total for 1st Year	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
13. Federal	$	$	$	$	$
14. Non-Federal					
15. TOTAL *(sum of lines 13 and 14)*	$	$	$	$	$

SECTION E - BUDGET ESTIMATES OF FEDERAL FUNDS NEEDED FOR BALANCE OF THE PROJECT

(a) Grant Program	FUTURE FUNDING PERIODS (Years)			
	(b) First	(c) Second	(d) Third	(e) Fourth
16.	$	$	$	$
17.				
18.				
19.				
20. TOTAL *(sum of lines 16-19)*	$	$	$	$

SECTION F - OTHER BUDGET INFORMATION

21. Direct Charges:	22. Indirect Charges:
23. Remarks:	

INSTRUCTIONS FOR THE SF-424

Public reporting burden for this collection of information is estimated to average 45 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0043), Washington, DC 20503.

PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

This is a standard form used by applicants as a required facesheet for preapplications and applications submitted for Federal assistance. It will be used by Federal agencies to obtain applicant certification that States which have established a review and comment procedure in response to Executive Order 12372 and have selected the program to be included in their process, have been given an opportunity to review the applicant's submission.

Item:	Entry:
1.	Self-explanatory.
2.	Date application submitted to Federal agency (or State if applicable) and applicant's control number (if applicable).
3.	State use only (if applicable).
4.	If this application is to continue or revise an existing award, enter present Federal identifier number. If for a new project, leave blank.
5.	Legal name of applicant, name of primary organizational unit which will undertake the assistance activity, complete address of the applicant, and name and telephone number of the person to contact on matters related to this application.
6.	Enter Employer Identification Number (EIN) as assigned by the Internal Revenue Service.
7.	Enter the appropriate letter in the space provided.
8.	Check appropriate box and enter appropriate letter(s) in the space(s) provided: -- "New" means a new assistance award. -- "Continuation" means an extension for an additional funding/budget period for a project with a projected completion date. -- "Revision" means any change in the Federal Government's financial obligation or contingent liability from an existing obligation.
9.	Name of Federal agency from which assistance is being requested with this application.
10.	Use the Catalog of Federal Domestic Assistance number and title of the program under which assistance is requested.
11.	Enter a brief descriptive title of the project. If more than one program is involved, you should append an explanation on a separate sheet. If appropriate (e.g., construction or real property projects), attach a map showing project location. For preapplications, use a separate sheet to provide a summary description of this project.
12.	List only the largest political entities affected (e.g., State, counties, cities).
13.	Self-explanatory.
14.	List the applicant's Congressional District and any District(s) affected by the program or project.
15.	Amount requested or to be contributed during the first funding/budget period by each contributor. Value of in-kind contributions should be included on appropriate lines as applicable. If the action will result in a dollar change to an existing award, indicate *only* the amount of the change. For decreases, enclose the amounts in parentheses. If both basic and supplemental amounts are included, show breakdown on an attached sheet. For multiple program funding, use totals and show breakdown using same categories as item 15.
16.	Applicants should contact the State Single Point of Contact (SPOC) for Federal Executive Order 12372 to determine whether the application is subject to the State intergovernmental review process.
17.	This question applies to the applicant organization, not the person who signs as the authorized representative. Categories of debt include delinquent audit disallowances, loans and taxes.
18.	To be signed by the authorized representative of the applicant. A copy of the governing body's authorization for you to sign this application as official representative must be on file in the applicant's office. (Certain Federal agencies may require that this authorization be submitted as part of the application.)

narrative statement the nature and source of income. The estimated amount of program income may be considered by the Federal grantor agency in determining the total amount of the grant.

Section C. Non-Federal Resources

Lines 8-11 Enter amounts of non-Federal resources that will be used on the grant. If in-kind contributions are included, provide a brief explanation on a separate sheet.

Column (a) - Enter the program titles identical to Column (a), Section A. A breakdown by function or activity is not necessary.

Column (b) - Enter the contribution to be made by the applicant.

Column (c) - Enter the amount of the State's cash and in-kind contribution if the applicant is not a State or State agency. Applicants which are a State or State agencies should leave this column blank.

Column (d) - Enter the amount of cash and in-kind contributions to be made from all other sources.

Column (e) - Enter totals of Columns (b), (c), and (d).

Line 12 - Enter the total for each of Columns (b)-(e). The amount in Column (e) should be equal to the amount on Line 5, Column (f), Section A.

Section D. Forecasted Cash Needs

Line 13 - Enter the amount of cash needed by quarter from the grantor agency during the first year.

Line 14 - Enter the amount of cash from all other sources needed by quarter during the first year.

Line 15 - Enter the totals of amounts on Lines 13 and 14.

Section E. Budget Estimates of Federal Funds Needed for Balance of the Project

Lines 16-19 - Enter in Column (a) the same grant program titles shown in Column (a), Section A. A breakdown by function or activity is not necessary. For new applications and continuation grant applications, enter in the proper columns amounts of Federal funds which will be needed to complete the program or project over the succeeding funding periods (usually in years). This section need not be completed for revisions (amendments, changes, or supplements) to funds for the current year of existing grants.

If more than four lines are needed to list the program titles, submit additional schedules as necessary.

Line 20 - Enter the total for each of the Columns (b)-(e). When additional schedules are prepared for this Section, annotate accordingly and show the overall totals on this line.

Section F. Other Budget Information

Line 21 - Use this space to explain amounts for individual direct object class cost categories that may appear to be out of the ordinary or to explain the details as required by the Federal grantor agency.

Line 22 - Enter the type of indirect rate (provisional, predetermined, final or fixed) that will be in effect during the funding period, the estimated amount of the base to which the rate is applied, and the total indirect expense.

Line 23 - Provide any other explanations or comments deemed necessary.

Detailed Itemized Budget

(See "Guide on Preparing Budget Detail")

AND

For further instructions on your specific program – see your Grant Guidance

(Applicant attaches--make sure this item is included in your submitted application)

WORK PLAN (Narrative Statement)

(See Guidance on information to be included)

(Applicant attaches-- make sure this item is included in your submitted application)

KEY CONTACTS

Authorized Representatives: Original awards and amendments will be sent to this individual for review and acceptance, unless otherwise indicated.

Name: _____

Title: _____

Complete Address: _____

_____

Phone Number: _____ Fax: _____

E-Mail Address: _____

Payee: Individual authorized to accept payments.

Name: _____

Title: _____

Complete Address: _____

_____

Phone Number: _____ Fax: _____

E-Mail Address: _____

Administrative Contact: Individual from Sponsored Programs Office to contact concerning administrative matters (i.e., indirect cost rate computation , rebudgeting requests, etc.)

Name: _____

Title: _____

Complete Address: _____

_____

Phone Number: _____ Fax: _____

E-Mail Address: _____

Project Manager: Individual responsible for the technical completion of the proposed work.

Name: _____

Title: _____

Complete Address: _____

_____

Phone Number: _____ Fax: _____

E-Mail Address: _____

OMB Approval No. 0348-0040

ASSURANCES - NON-CONSTRUCTION PROGRAMS

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0040), Washington, DC 20503.

PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

NOTE: Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the awarding agency. Further, certain Federal awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

As the duly authorized representative of the applicant, I certify that the applicant:

1. Has the legal authority to apply for Federal assistance and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project cost) to ensure proper planning, management and completion of the project described in this application.

2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the award; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.

3. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.

4. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.

5. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed standards for merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).

6. Will comply with all Federal statutes relating to nondiscrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee-3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and, (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.

7. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal or federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.

8. Will comply, as applicable, with provisions of the Hatch Act (5 U.S.C. §§1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.

EPA United States Environmental Protection Agency

EPA Project Control Number

United States Environmental Protection Agency
Washington, DC 20460

Certification Regarding Debarment, Suspension, and Other Responsibility Matters

The prospective participant certifies to the best of its knowledge and belief that it and the principals:

(a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;

(b) Have not within a three year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction: violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

(c) Are not presently indicted for otherwise criminally or civilly charged by a government entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (1) (b) of this certification; and

(d) Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State, or local) terminated or cause or default.

I understand that a false statement on this certification may be ground for rejection of this proposal or termination of the award. In addition, under 18 USC Sec. 1001, a false statement may result in a fine of up to $10,000 or imprisonment for up to 5 years, or both.

Typed Name & Title of Authorized Representative

Signature of Authorized Representative Date

☐ I am unable to certify to the above statements. My explanation is attached.

CERTIFICATION REGARDING LOBBYING

Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, ``Disclosure Form to Report Lobbying,'' in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

_____

NAME & TITLE OF AUTHORIZED REPRESENTATIVE

_____

SIGNATURE OF AUTHORIZED REPRESENTATIVE DATE

____ I am unable to certify to the above statements. My explanation is attached.

DISCLO RE OF LOBBYING ACTIVITIES

Approved by OMB
0348-0046

Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352
(See reverse for public burden disclosure.)

1. Type of Federal Action:	2. Status of Federal Action:	3. Report Type:
☐ a. contract ☐ b. grant c. cooperative agreement d. loan e. loan guarantee f. loan insurance	☐ a. bid/offer/application b. initial award c. post-award	☐ a. initial filing b. material change **For Material Change Only:** year _____ quarter _____ date of last report _____

4. Name and Address of Reporting Entity:	5. If Reporting Entity in No. 4 is a Subawardee, Enter Name and Address of Prime:
☐ Prime ☐ Subawardee Tier _____, *if known*: Congressional District, *if known*:	Congressional District, *if known*:
6. Federal Department/Agency:	**7. Federal Program Name/Description:** CFDA Number, *if applicable*: _____
8. Federal Action Number, *if known*:	**9. Award Amount, *if known*:** $
10. a. Name and Address of Lobbying Registrant (*if individual, last name, first name, MI*):	**b. Individuals Performing Services** (*including address if different from No. 10a*) (*last name, first name, MI*):

11. Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be reported to the Congress semi-annually and will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less that $10,000 and not more than $100,000 for each such failure.

Signature: _____

Print Name: _____

Title: _____

Telephone No.: _____ Date: _____

Federal Use Only:

Authorized for Local Reproduction
Standard Form LLL (Rev. 7-97)

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION IX
75 Hawthorne Street
San Francisco, CA 94105

NOTICE: EPA Form 4700-4, Preaward Compliance Review Report

1. Please complete the attached EPA Form 4700-4, Preaward Compliance Review Report, and return it with your application.

2. If a recipient receives more than one grant from EPA Region 9, you may choose to complete this form for all EPA Region 9 environmental programs by indicating on the form, under Part II, "APPLICABLE TO ALL EPA REGION 9 GRANTS." This form will be valid for one year.

3. If a recipient believes the information does not apply to them, they should fill in the identifying information such as name, address, type of assistance requested, etc., and write "NOT APPLICABLE" across the form. Sign it, date it, and include it with the application.

4. Questions regarding completion of the form should be addressed to -

GINA EDWARDS, OFFICE OF CIVIL RIGHTS (Region 9)- 415-947-4284.
(For Other Regions, check their offices)

United States Environmental Protection Agency
Washington, DC 20460

EPA

Preaward Compliance Review Report for All Applicants Requesting Federal Financial Assistance

FORM Approved
OMB No. 2090-0014
Expires 02-28-03

Note: Read instructions on reverse side before completing form.

I. A. Applicant (Name, City, State)	B. Recipient (Name, City, State)	C. EPA Project No.

II. Brief description of proposed project, program or activity.

III. Are any civil rights lawsuits or complaints pending against applicant and/or recipient? ☐ Yes ☐ No
If yes, list those complaints and the disposition of each complaint.

IV. Have any civil rights compliance reviews of the applicant and/or recipient been conducted by any Federal agency during the two years prior to this application for activities which would receive EPA assistance? ☐ Yes ☐ No
If yes, list those compliance reviews and status of each review.

V. Is any other Federal financial assistance being applied for or is any other Federal financial assistance being applied to any portion of this project, program or activity? ☐ Yes ☐ No
If yes, list the other Federal Agency(s), describe the associated work and the dollar amount of assistance.

VI. If entire community under the applicant's jurisdiction is not served under the existing facilities/services, or will not be served under the proposed plan, give reasons why.

VII. Population Characteristics	Number of People
1. A. Population of Entire Service Area	
B. Minority Population of Entire Service Area	
2. A. Population Currently Being Served	
B. Minority Population Currently Being Served	
3. A. Population to be Served by Project, Program or Activity	
B. Minority Population to be Served by Project, Program or Activity	
4. A. Population to Remain Without Service	
B. Minority Population to Remain Without Service	

VIII. Will all new facilities or alterations to existing facilities financed by these funds be designed and constructed to be readily accessible to and usable by handicapped persons? ☐ Yes ☐ No
If no, explain how a regulatory exception (40 CFR 7.70) applies.

IX. Give the schedule for future projects, programs or activities (or of future plans), by which services will be provided to all beneficiaries within applicant's jurisdiction. If there is no schedule, explain why.

X. I certify that the statements I have made on this form and all attachments thereto are true, accurate and complete. I acknowledge that any knowingly false or misleading statement may be punishable by fine or imprisonment or both under applicable law.

A. Signature of Authorized Official	B. Title of Authorized Official	C. Date

For the U.S. Environmental Protection Agency

☐ Approved ☐ Disapproved	Authorized EPA Official	Date

GUAM WATERWORKS AUTHORITY
Aturidat Kinalamten Hanom Guahan
Government of Guam
Post Office Box 3010, Hagåtña, Guam 96932
Phone: (671) 479-7808/7823 Fax: (671) 479-7879

DEC 03 2002

Harry M. Boertzel, ALJ
Guam Public Utilities Commission
Suite 202 GCIC Building
Hagatna, Guam 96910

Ref: EPA Correspondences

Dear Mr. Boertzel:

The Guam Waterworks Authority hereby forwards the information you requested on your letter dated November 8, 2002 regarding correspondences between GWA and EPA.

Sincerely,

GIL A. SHINOHARA
Acting General Manager

Docket 02-02

GUAM WATERWORKS AUTHORITY
Aturidåt Kinalamten Hånom Guåhan
Post Office Box 3010, Hagåtña, Guam 96932
Phone: (671) 479-7861/7886 Fax: (671) 649-0158



U.S. Environmental Protection Agency
Pacific Insular Area Programs (CMD-5)
74 Hawthorne Street
San Francisco, CA 94105

Administrator
Guam Environmental Protection Agency
P.O. Box 22439-GMF
Barrigada, Guam 96921

Re: ORDER ON CONSENT - Quarterly Compliance Progress Report, First Quarter 2002

Dear Sir:

As you are already aware of, Bill 282 was signed into law (Public law 26-78) on March 27, 2002. This legislation represents the government's agreement with the USEPA Order on Consent entered into by GWA, the Government of Guam and the USEPA. The financial plan required by the Order on Consent is also included in this legislation.

The following pages describe the actions taken to date towards completing the compliance activities as specified in the Order on Consent. The reporting format mirrors that of Appendix A in the Compliance Schedule, which should facilitate your evaluation of our compliance actions. As previously mentioned through either our telephone conferences or personally during your visit here, several milestones contained in the Order on Consent were not met and will not be met. The circumstances and reasons for the missed milestone dates are included in the report.

I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, I certify that the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

Sincerely,

GIL A. SHINOHARA
Acting General Manager

cc: AGMA
Wastewater
Wastewater CIP

GUAM WATERWORKS AUTHORITY
Aturidåt Kinalamten Hånom Guåhan
Post Office Box 3010, Hagåtña, Guam 96932
Phone: (671) 479-7861/7886 Fax: (671) 649-0158

MAY 30 2002

U.S. Environmental Protection Agency
Pacific Insular Area Programs (CMD-5)
74 Hawthorne Street
San Francisco, CA 94105

Administrator
Guam Environmental Protection Agency
P.O. Box 22439-GMF
Barrigada, Guam 96921

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I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, I certify that the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

Sincerely,

GIL A. SHINOHARA
Acting General Manager

cc: AGMA
Wastewater
Wastewater CIP

APPENDIX A

I. GWA Wastewater Systems Comprehensive Performance Evaluation for the Agana and Northern District STPs:

The CPE Drafts for both the Agana and Northern District sewage treatment plants were delivered to GWA on December 17, 2001. Electronic copies were immediately e-mailed to both GEPA and USEPA for their review and comment. In addition, hard copies were promptly mailed out.

Presently, the consultant has addressed all concerns, issues, and questions submitted to them during the final draft segment of the CPE report, however, they are awaiting payment on their first invoice before they will schedule the exit meeting and submit the resulting final CPEs. The invoice was submitted to GWA on December 31, 2001, but they have yet to receive payment. GWA is researching the cause for the payment failure and will expedite payment at the earliest. We expect to complete and submit the CPEs for both plants no later than June 30, 2002.

The Order on Consent Financial Plan with its accompanying Compliance Schedule (GWA's Corrective Action Plan Schedules for respective facilities) was mailed to your office on January 31, 2002. The following updates address the milestone deadlines contained in the plan.

Financial Plan Implementation – Milestones

Legislative and PUC actions to date basically start and end with the introduction and passing of Bill 282. And, with the recent overriding of Bill 230, this new law (Public Law 26-81) prohibits GWA from seeking rate relief from the Public Utilities Commission for a period of 12 months after the bill's enactment date of May 9, 2002. GWA's General Manager will inform, in writing, the legislature of their statutory commitment in Public Law 26-78 and the impact of Bill 230.

The Public Utilities Commission has scheduled a regulatory meeting for GSA on June 6 at 9 A.M. The GWA Financial Plan will be discussed at that meeting. PUC has instructed their consultants to develop a working paper of on how GWA can best move forward with the Financial Plan, given the lack of short-term funds. The working paper is expected to be completed by May 30.

II. Northern District and Agana STP Ocean Outfall Extensions:

GWA received the 100% design drawings with specifications on January 18, 2002 for both the Agana and Northern District sewage treatment plants. One set of copies were hand delivered to GEPA that same day; another set was mailed out via TNT Express Mail Service the following day to USEPA.

GWA has completed its review of the outfall designs and has submitted its comments and concerns to the consultant. We are in receipt of their responses and are presently reviewing and discussing the recommendations made by the consultant. Most of our concerns, center on the utilization of a check valve at the diffuser end of the outfalls. GWA is presently reviewing literature on the use of the check valves in similar applications. GWA may be requesting your assistance regarding the use of such check valves in deep ocean outfall diffusers.

III. Southern Link Sewer Pump Station Interceptor Line:

The construction of the 48" interceptor line is basically complete, however, because of a recent Air Force requirement, two additional manholes will need to be installed between existing sewer manholes 10 and 11. This modification will allow for the required clearance between the POL line and the sewer gravity line. The contractor is presently correcting this deficiency and the others noted by GWA during the final inspection. We expect to activate this new line NLT June 30, 2002.

IV. Commercial Port Sewer Pump Station and Forcemain:

The construction completion, acceptance, and operational start up of the Commercial Port SPS all took place on October 12, 2001. The SPS has and continues to operate without incident and will remain under warranty for one year from the acceptance date.

The Commercial Port STP was taken off-line that same day and remains secured. The sealing of the outfall was completed on October 31, 2001. GWA submitted to your office the documentation of the decommissioning of the Commercial Port STP on November 6, 2001, and received official notification of the termination of the NPDES Permit on January 28, 2002.

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION IX
75 Hawthorne Street
San Francisco, CA 94105

RECEIVED
JUN 24 2002
4:40 PM GWA

JUN 12 2002

Gil A. Shinohara
Acting General Manager
Guam Waterworks Authority
P.O. Box 3010
Hagatna, Guam 96932

Re: Order on Consent, May 30 Quarterly Compliance Report

Dear Mr. Shinohara,

We are in receipt of your Quarterly Compliance Report dated May 30, 2002, as required under the Order on Consent, Docket CWA-402-9-01-19. Given recent efforts and accomplishments to pull together this Financial Plan and recent commitments made by Guam, we fully anticipated GWA's implementation of the Financial Plan. However, based on our review of your May 30th Quarterly Compliance Report, GWA has not been able to satisfactorily implement or complete many of compliance activities within the specified time frames.

Since the submittal of the previous Quarterly Compliance report in January, 2002, one of the major accomplishments was the submittal of the Financial Plan and Compliance Schedules for our approval. In February, 2002, we approved GWA's Financial Plan and Compliance Schedules (the "Financial Plan") on the condition that we receive a commitment from the Guam Legislature to the Financial Plan. In March, 2002, the Guam Legislature and the Governor signed into law Bill 282 (Public Law 26-78) stating the Government of Guam's commitment to the Financial Plan. As a result of the signing into law of Bill 282, GWA met the condition of approval. In addition, Bill 282 included an authorization of a short-term debt of $21,000,000 for GWA.

However, the submitted Quarterly Compliance Report does not fully comply with reporting information as required under the Order for Compliance Item No.3 of the Order on Consent. Quarterly reports need to report on compliance and/or non-compliance with specific compliance schedule activities, provide explanations of non-compliance and actions taken or to be taken to address non-compliance and briefly discuss the status toward meeting future compliance schedule activities. Therefore, Quarterly Compliance Reports need to be more detailed and specific in nature.

Based on our review of the submitted Quarterly Compliance Report, there were some key Financial Plan implementation action items that did not appear to have been acted or

reported upon and/or an explanation provided. They include, but are not limited to, the following:

- PUC action to authorize GWA implement revenue enhancement Build, Operate and Transfers (BOTs).
- Guam Legislative action to approve FY2002 budget amendments for Consent Order obligations.
- Finalize short-term requirements.
- Develop loan package.
- Accept proposals and award.
- Retention of a program manager to facilitate and oversee implementation of the Financial Plan and Compliance Schedules.

In addition, the Quarterly Compliance Report provided no discussion regarding any efforts by GWA with respect to the $21,200,000 in short-term debt authorized in Bill 282.

Enclosed is a copy of the Financial Plan Implementation Milestones and Compliance Schedules (Project Numbers 1 through 16) highlighting the compliance activities which were not accomplished and/or adequately addressed in your May 30 Quarterly Compliance Report.

There has also been a recent development which concerns the implementation of the Financial Plan. This is the Guam Legislature's recent over-ride of Bill 230, enacted in May, 2002, prohibiting any rate increases for one year. The recent over-ride of Bill 230 appears inconsistent with the recent commitment by the Guam Legislature to the implementation of the GWA Financial Plan. We request clarification regarding the original commitment as presented in Bill 282, the over-ride of Bill 230 and the impact this has on fully implementing GWA's Financial Plan and Compliance Schedules as we recently approved.

While we are pleased with the development of the Financial Plan and Compliance Schedules and the commitment by the Guam Legislature, we are seriously concerned with recent events and GWA's ability and capacity to satisfactorily implement the Financial Plan. Compliance activities are not being completed as laid out in the Financial Plan and GWA has fallen out of compliance with the Financial Plan schedules. The schedules were agreed to in concert with GWA and committed to by the Government of Guam. It does not appear that GWA is taking all the necessary steps or actions to ensure implementation of the Financial Plan.

GWA's next Quarterly Compliance Report will be for the period of April through June. Please provide your next Quarterly Compliance Report by July 15, 2002, which clearly addresses our concerns regarding implementation of the Financial Plan. The Quarterly Compliance Report should specifically address and discuss each specific compliance activity/milestone regarding compliance or non-compliance and briefly discuss the status toward meeting the next compliance schedule activities. The April-June Quarterly Compliance Report should also include a discussion specific to each of the compliance activities/milestones highlighted in the enclosure. As required by the Order on Consent, for those activities determined in non-compliance with the Financial Plan, GWA shall discuss actions taken or to be taken to address non-compliance with

the respective Financial Plan activity.

We remain very concerned with GWA's ability to fully implement the Financial Plan. Failure to implement the Financial Plan could result in our elevating this matter to include a court ordered compliance schedule with specific tasks, requirements relating to the management of the utility, if necessary, until demonstration of compliance and GWA has established the necessary managerial, technical and financial capacities to properly operate and maintain the facility. Elevation of this matter would also include penalties. We would strongly prefer GWA take the necessary actions to bring its facilities into compliance without the matter being further elevated.

As we have and continue to do, we look forward to working with you to address these issues. If you have any questions regarding this matter, please contact me at 415-972-3774, Ben Machol at 415-972-3770 or Mike Lee at 415-972-3769.

Sincerely,

John McCarroll
Manager
Pacific Islands Office

Enclosure

cc: C. Taitano, AGMA, GWA
M. Miller, WW Manager, GWA
Senator A. Unpingco, Speaker, Guam Legislature
Senator J. Brown, Chairperson, Committee on Natural Resources
T. Brooks, Chairman, Guam PUC
L. Gawlik, Georgetown Consulting Group
J. Salas, Admin., GEPA
C. Lund, Water Div. Dir., GEPA

FINANCIAL PLAN

&

COMPLIANCE SCHEDULES

In Response to

USEPA Consent Order

USEPA Docket CWA-402-9-01-19

Submitted By:

Guam Waterworks Authority

January 31, 2002

Financial Plan Implementation—Milestones

Program Name:	Location:	GWA Work Order:
Consent Order	Guam-GWA	

Program Overview:

The overall program includes the planning and implementation of activities necessary to allow GWA to access the capital funds necessary to meet its obligations to the USEPA under the Consent Order. Specifically, it identifies the implementation steps that will result in GWA obtaining the necessary capital funds to construct those improvements necessary to comply with its various NPDES permits and the Clean Water Act.

Program Activities—Schedule and Status	Status	Estimated Completion Date	Actual Completion Date
A. PUC Actions			
Order/Resolution Approving Path To Implement Consent Order	Completed	Dec. 11, 2001	Dec. 11, 2001
Recommendations to Legislature Authorizing GWA Debt Issuance	In Progress	Jan. 31, 2002	
Authorize GWA Implement Revenue Enhancement BOTs	To be Initiated	Mar. 30, 2002	
Authorize GWA Implement BOT or PMC for Management of STPs	To be Initiated	Sep. 30, 2002	
Authorize Rate Changes	To be Initiated	Mar. 31, 2003	
Monitor GWA Implementation of Consent Order Activities	To be Initiated	Sep. 30, 2006	
B. Guam Legislative Actions			
Authorize Increase in GWA Short-Term Debt Limit	To be Initiated	Apr 30, 2002	
Approve FY 2002 Budget Amendments for Consent Order Obligations	To be Initiated	Apr 30, 2002	
Authorize Long-Term Debt Issuance/Approve Bond Indenture	To be Initiated	Oct. 1, 2003	
C. Short-Term Debt Activities			
Finalize Short-Term Requirements	To be Initiated	Mar. 1, 2002	
Develop Loan Package	To be Initiated	Mar. 31, 2002	
Accept Proposals and Award	To be Initiated	May 31, 2002	
D. Long-Term Debt Activities			
Finalize Rate Request	To be Initiated	Dec. 31, 2002	
Identify Administrative and Statutory Changes to Support Financial Autonomy	To be Initiated	May 31, 2003	
Finalize Long-Term Capital Improvement Program	To be Initiated	Jun. 30, 2003	
Finalize Detailed Five-Year Operating Pro-forma	To be Initiated	Jun. 30, 2003	
Consulting/Engineering Report for Financing	To be Initiated	Jul. 31, 2003	
Bond Indenture/Official Statement	To be Initiated	Aug. 30, 2003	
Rating Agency/Bond Insurance Meetings	To be Initiated	Sep. 1, 2003	
Sale and Closing	To be Initiated	Oct. 15, 2003	
E. Post Closing GWA Financial Operations			
Implement Administrative Changes	To be Initiated	Jul. 1, 2003	
Implement Ongoing Capital Budgeting	To be Initiated	Oct. 1, 2003	

ATTACHMENT VI

COMPLIANCE SCHEDULES

Guam Waterworks Authority

Compliance Schedule Reporting

Period Ending: January 31, 2002

USEPA Docket CWA-402-9-01-19

Consent Order Required Projects	
Project Number	**Project Activity**
1	Agat Sewer Treatment Plant Renovation
2	Agat Collector System Inflow/Infiltration
3	Agana Sewer Treatment Plant Renovation/Expansion
4	Agana Ocean Outfall
5	Agana Village Collector System Inflow/Infiltration
6	Baza Gardens Sewer Treatment Plant
7	Northern District Sewer Treatment Plant
8	Northern District Ocean Outfall
9	Umatac/Merizo Sewer Treatment Plant Renovations
10	Umatac/Merizo Collector System Inflow/Infiltration
11	Comprehensive Performance Evaluations (CPE) for the Agat, Baza Gardens, and Umatac-Merizo Sewer Treatment Plants
12	Comprehensive Assessment of GWA's Sewer Pump Stations/Collection System and Implementation of a Corrective Action Plan
13	Development and Implementation of a GWA Preventive Maintenance Program
14	Development of an Operator Training and Certification Program
15	Monitoring Requirements
16	Facilities Master Plan

Guam Waterworks Authority

Compliance Schedule Reporting

Period Ending: January 31, 2002

USEPA Docket CWA-402-9-01-19

Project Number 1—Milestones		
Project Name: Agat Sewerage Treatment Plant	**Location:** Agat	**GWA Work Order:**

Project Overview:

This project involves bringing this relatively small (0.75 MGD) wastewater treatment plant serving the Agat and Santa Rita areas into compliance with NPDES operating permit guidelines. Principal activities to be undertaken include the renovation of the plant.

Project Activities—Schedule and Status	Status	Estimated Completion Date	Actual Completion Date
A. Permitting and Pre-Design			
Comprehensive Performance Evaluations	To be Initiated	Oct. 31, 2003	
Environmental Assessments and Construction Approval	To be Initiated	Oct. 1, 2004	
Local Building and Other Permits	To be Initiated	Oct. 1, 2004	
Operating Permits—others	To be Initiated	Sep. 30, 2005	
Operating Permits—NPDES	To be Initiated	Sep. 30, 2005	
B. Design, Engineering and Construction Management			
Preparation of A/E Bid Documents	To be Initiated	Nov. 30, 2003	
Bid Solicitation	To be Initiated	Jan. 1, 2004	
Contract Award/PUC Approval	To be Initiated	Mar. 1, 2004	
Design Activities	To be Initiated	Jun. 30, 2004	
Construction Management Activities	To be Initiated	Sep. 30, 2005	
C. Major Equipment Procurement and Construction			
Preparation of Construction Documents	To be Initiated	Jun. 30, 2004	
Procurement of Owner Furnished Equipment & Materials, if any	To be Initiated	Oct. 31, 2004	
Bid Solicitation for Construction	To be Initiated	Nov. 30, 2004	
Contract Award	To be Initiated	Jan. 1, 2005	
Notice to Proceed	To be Initiated	Feb. 1, 2005	
Delivery of Owner Furnished Equipment & Materials	To be Initiated	Mar. 1, 2005	
Construction	To be Initiated	Aug. 30, 2005	
Demobilization	To be Initiated	Oct. 31, 2005	
D. Startup and Testing			
Development of Testing and Startup Procedures	To be Initiated	Jul. 31, 2005	
Test Major Equipment and Systems	To be Initiated	Aug. 30, 2005	
Startup Activities	To be Initiated	Sep. 30, 2005	

Guam Waterworks Authority

Compliance Schedule Reporting

Period Ending: January 31, 2002

USEPA Docket CWA-402-9-01-19

Project Number 2—Milestones

Project Name:	Location:	GWA Work Order:
Agat Collector System Inflow/Infiltration	Agat	

Project Overview:

This project consist of evaluating existing collection facilities, identifying cost-effective mitigation measures, developing engineering solutions, and the rehabilitation and construction of various sewer collector lines, which are subject to high levels of inflow and infiltration (I&I).

Project Activities— Schedule and Status	Status	Estimated Completion Date	Actual Completion Date
A. Pre-Design and Pre-Construction Activities			
Preparation of Bid Documents and Bid Solicitation	To be Initiated	May 31, 2003	
Conduct Comprehensive Sewer System Evaluation Survey (SSES)	To be Initiated	Aug. 31, 2003	
Identify Cost Effective Mitigation Measures	To be Initiated	Sep. 30, 2003	
Develop Final Mitigation Plan	To be Initiated	Oct. 31, 2003	
B. Design, Engineering and Construction Management			
Preparation of A/E Bid Documents	To be Initiated	Nov. 30, 2003	
Bid Solicitation	To be Initiated	Jan. 1, 2004	
Contract Award/PUC Approval	To be Initiated	Mar. 1, 2004	
Design Activities	To be Initiated	Jun. 30, 2004	
Construction Management Activities	To be Initiated	Sep. 30, 2006	
C. Major Equipment Procurement and Construction			
Preparation of Construction Documents	To be Initiated	Jun. 30, 2004	
Procurement of Owner Furnished Equipment & Materials	To be Initiated	Sep. 30, 2004	
Bid Solicitation for Construction	To be Initiated	Oct. 31, 2004	
Contract Award	To be Initiated	Nov. 30, 2004	
Notice to Proceed	To be Initiated	Dec. 15, 2004	
Delivery of Owner Furnished Equipment & Materials	To be Initiated	Jan. 31, 2005	
Construction	To be Initiated	Aug. 30, 2006	
Demobilization	To be Initiated	Oct. 31, 2006	

Guam Waterworks Authority

Compliance Schedule Reporting

Period Ending: January 31, 2002 USEPA Docket CWA-402-9-01-19

Project Number 3—Milestones

Project Name:	Location:	GWA Work Order:
Agana Sewerage Treatment Plant	Agana	

Project Overview:

This project involves bringing this major (12.0 MGD) wastewater treatment plant serving large incorporated areas of Guam into compliance with NPDES operating permit guidelines. Principal activities to be undertaken include the renovation of the plant.

Project Activities— Schedule and Status	Status	Estimated Completion Date	Actual Completion Date
A. Permitting and Pre-Design			
Comprehensive Performance Evaluations	To be Initiated	Jan. 31, 2002	
Environmental Assessments and Construction Approval	To be Initiated	Oct. 1, 2003	
Local Building and Other Permits	To be Initiated	Oct. 1, 2003	
Operating Permits—others	To be Initiated	Sep. 30, 2004	
Operating Permits—NPDES	To be Initiated	Sep. 30, 2004	
B. Design, Engineering and Construction Management			
Preparation of A/E Bid Documents	To be Initiated	Nov. 30, 2002	
Bid Solicitation	To be Initiated	Jan. 1, 2003	
Contract Award/PUC Approval	To be Initiated	Mar. 1, 2003	
Design Activities	To be Initiated	Jun. 30, 2003	
Construction Management Activities	To be Initiated	Sep. 30, 2004	
C. Major Equipment Procurement and Construction			
Preparation of Construction Documents	To be Initiated	Jun. 30, 2003	
Procurement of Owner Furnished Equipment & Materials	To be Initiated	Sep. 30, 2003	
Bid Solicitation for Construction	To be Initiated	Oct. 31, 2003	
Contract Award	To be Initiated	Nov. 30, 2003	
Notice to Proceed	To be Initiated	Dec. 15, 2003	
Delivery of Owner Furnished Equipment & Materials	To be Initiated	Jan. 31, 2004	
Construction	To be Initiated	Sep. 30, 2004	
Demobilization	To be Initiated	Oct. 31, 2004	
D. Startup and Testing			
Development of Testing and Startup Procedures	To be Initiated	Jul. 31, 2004	
Test Major Equipment and Systems	To be Initiated	Aug. 30, 2004	
Startup Activities	To be Initiated	Sep. 30, 2004	

Guam Waterworks Authority

Compliance Schedule Reporting

Period Ending: January 31, 2002

USEPA Docket CWA-402-9-01-19

Project Number 4—Milestones		
Project Name: Agana STP Outfall	**Location:** Agana	**GWA Work Order:**

Project Overview:

This project involves the extension of the existing effluent disposal outfall into significantly deeper water for more sufficient mixing and dilution of effluent.

Project Activities— Schedule and Status	Status	Estimated Completion Date	Actual Completion Date
A. Permitting and Pre-Design			
Environmental Assessments and Construction Approval	To be Initiated	Jul. 1, 2002	GWA
Local Building and Other Permits	To be Initiated	Jul. 1, 2002	GWA
Operating Permits—others	To be Initiated	Sep. 30, 2003	GWA
Operating Permits—NPDES	To be Initiated	Sep. 30, 2003	GWA
B. Design, Engineering and Construction Management			
Preparation of A/E Bid Documents	Completed	GWA	GWA
Bid Solicitation	Completed	GWA	GWA
Contract Award/PUC Approval	Completed	GWA	GWA
Design Activities	Completed	Oct. 31, 2001	Oct. 31, 2001
Construction Management Activities	Pending	Sep. 30, 2003	
C. Major Equipment Procurement and Construction			
Preparation of Construction Documents	To be Initiated	Mar. 15, 2002	
Procurement of Owner Furnished Equipment & Materials	None	N/A	N/A
Bid Solicitation for Construction	To be Initiated	May 15, 2002	
Contract Award	To be Initiated	Jun. 15, 2002	
Notice to Proceed	To be Initiated	Jul. 1, 2002	
Delivery of Owner Furnished Equipment & Materials	None	N/A	N/A
Construction	To be Initiated	Sep. 30, 2003	
Demobilization	To be Initiated	Oct. 31, 2003	

Guam Waterworks Authority

Compliance Schedule Reporting

Period Ending: January 31, 2002

USEPA Docket CWA-402-9-01-19

Project Number 5—Milestones		
Project Name: Agana Village Collector System I/I	**Location:** Agana	**GWA Work Order:**

Project Overview:

This project consist of evaluating existing collection facilities, identifying cost-effective mitigation measures, developing engineering solutions, and the rehabilitation and construction of various sewer collector lines, which are subject to high levels of inflow and infiltration (I&I).

Project Activities— Schedule and Status	Status	Estimated Completion Date	Actual Completion Date
A. Pre-Design and Pre-Construction Activities			
Preparation of Bid Documents and Bid Solicitation	To be Initiated	May 31, 2003	
Conduct Comprehensive Sewer System Evaluation Survey (SSES)	To be Initiated	Aug. 31, 2003	
Identify Cost Effective Mitigation Measures	To be Initiated	Sep. 30, 2003	
Develop Final Mitigation Plan	To be Initiated	Oct. 31, 2003	
B. Design, Engineering and Construction Management			
Preparation of A/E Bid Documents	To be Initiated	Nov. 30, 2003	
Bid Solicitation	To be Initiated	Jan. 1, 2004	
Contract Award/PUC Approval	To be Initiated	Mar. 1, 2004	
Design Activities	To be Initiated	Jun. 30, 2004	
Construction Management Activities	To be Initiated	Sep. 30, 2006	
C. Major Equipment Procurement and Construction			
Preparation of Construction Documents	To be Initiated	Jun. 30, 2004	
Procurement of Owner Furnished Equipment & Materials	To be Initiated	Sep. 30, 2004	
Bid Solicitation for Construction	To be Initiated	Oct. 31, 2004	
Contract Award	To be Initiated	Nov. 30, 2004	
Notice to Proceed	To be Initiated	Dec. 15, 2004	
Delivery of Owner Furnished Equipment & Materials	To be Initiated	Jan. 31, 2005	
Construction	To be Initiated	Aug. 30, 2006	
Demobilization	To be Initiated	Oct. 31, 2006	

Guam Waterworks Authority

Compliance Schedule Reporting

Period Ending: January 31, 2002 USEPA Docket CWA-402-9-01-19

Project Number 6—Milestones

Project Name:	Location:	GWA Work Order:
Baza Gardens Sewerage Treatment Plant	Baza Gardens Subdivision	

Project Overview:

This project involves bringing this relatively small (0.6 MGD) wastewater treatment plant serving the Baza Gardens area into compliance with NPDES operating permit guidelines. Principal activities to be undertaken include the renovation of the plant.

Project Activities— Schedule and Status	Status	Estimated Completion Date	Actual Completion Date
A. Permitting and Pre-Design			
Comprehensive Performance Evaluations	To be Initiated	Feb. 28, 2003	
Environmental Assessments and Construction Approval	To be Initiated	Apr. 15, 2004	
Local Building and Other Permits	To be Initiated	Apr. 15, 2004	
Operating Permits—others	To be Initiated	Sep. 30, 2004	
Operating Permits—NPDES	To be Initiated	Sep. 30, 2004	
B. Design, Engineering and Construction Management			
Preparation of A/E Bid Documents	To be Initiated	May 1, 2003	
Bid Solicitation	To be Initiated	Jul. 1, 2003	
Contract Award/PUC Approval	To be Initiated	Aug. 30, 2003	
Design Activities	To be Initiated	Nov. 30, 2003	
Construction Management Activities	To be Initiated	Sep. 30, 2004	
C. Major Equipment Procurement and Construction			
Preparation of Construction Documents	To be Initiated	Nov. 30, 2003	
Procurement of Owner Furnished Equipment & Materials	To be Initiated	Jan. 31, 2004	
Bid Solicitation for Construction	To be Initiated	Feb. 28, 2004	
Contract Award	To be Initiated	Mar. 31, 2004	
Notice to Proceed	To be Initiated	Apr. 15, 2004	
Delivery of Owner Furnished Equipment & Materials	To be Initiated	May 1, 2004	
Construction	To be Initiated	Sep. 30, 2004	
Demobilization	To be Initiated	Oct. 31, 2004	
D. Startup and Testing			
Development of Testing and Startup Procedures	To be Initiated	Jul. 31, 2004	
Test Major Equipment and Systems	To be Initiated	Aug. 30, 2004	
Startup Activities	To be Initiated	Sep. 30, 2004	

Guam Waterworks Authority

Compliance Schedule Reporting

Period Ending: January 31, 2002 USEPA Docket CWA-402-9-01-19

Project Number 7—Milestones		
Project Name: Northern Sewerage Treatment Plant	**Location:** Dededo	**GWA Work Order:**

Project Overview:

This project involves bringing this major (12.0 MGD) wastewater treatment plant serving the northern areas of Guam into compliance with NPDES operating permit guidelines. Principal activities to be undertaken include the renovation of the plant.

Project Activities— Schedule and Status	Status	Estimated Completion Date	Actual Completion Date
A. Permitting			
Comprehensive Performance Evaluations	To be Initiated	Jan. 31, 2002	
Environmental Assessments and Construction Approval	To be Initiated	Oct. 1, 2003	
Local Building and Other Permits	To be Initiated	Oct. 1, 2003	
Operating Permits—others	To be Initiated	Sep. 30, 2004	
Operating Permits—NPDES	To be Initiated	Sep. 30, 2004	
B. Design, Engineering and Construction Management			
Preparation of A/E Bid Documents	To be Initiated	Nov. 30, 2002	
Bid Solicitation	To be Initiated	Jan. 1, 2003	
Contract Award/PUC Approval	To be Initiated	Mar. 1, 2003	
Design Activities	To be Initiated	Jun. 30, 2003	
Construction Management Activities	To be Initiated	Sep. 30, 2004	
C. Major Equipment Procurement and Construction			
Preparation of Construction Documents	To be Initiated	Jun. 30, 2003	
Procurement of Owner Furnished Equipment & Materials	To be Initiated	Sep. 30, 2003	
Bid Solicitation for Construction	To be Initiated	Oct. 31, 2003	
Contract Award	To be Initiated	Nov. 30, 2003	
Notice to Proceed	To be Initiated	Dec. 15, 2003	
Delivery of Owner Furnished Equipment & Materials	To be Initiated	Jan. 31, 2004	
Construction	To be Initiated	Sep. 30, 2004	
Demobilization	To be Initiated	Oct. 31, 2004	
D. Startup and Testing			
Development of Testing and Startup Procedures	To be Initiated	Jul. 31, 2004	
Test Major Equipment and Systems	To be Initiated	Aug. 30, 2004	
Startup Activities	To be Initiated	Sep. 30, 2004	

Guam Waterworks Authority

Compliance Schedule Reporting

Period Ending: January 31, 2002

USEPA Docket CWA-402-9-01-19

Project Number 8—Milestones		
Project Name: Northern STP Outfall	**Location:** Dededo	**GWA Work Order:**

Project Overview:

This project involves the extension of the existing effluent disposal outfall into significantly deeper water for more sufficient mixing and dilution of effluent.

Project Activities— Schedule and Status	Status	Estimated Completion Date	Actual Completion Date
A. Permitting and Pre-Design			
Environmental Assessments and Construction Approval	To be Initiated	Jul. 1, 2002	
Local Building and Other Permits	To be Initiated	Jul. 1, 2002	
Operating Permits—others	To be Initiated	Sep. 30, 2003	
Operating Permits—NPDES	To be Initiated	Sep. 30, 2003	
B. Design, Engineering and Construction Management			
Preparation of A/E Bid Documents	Completed	GWA	GWA
Bid Solicitation	Completed	GWA	GWA
Contract Award/PUC Approval	Completed	GWA	GWA
Design Activities	Completed	Oct. 31, 2001	Oct. 31, 2001
Construction Management Activities	Pending	Sep. 30, 2003	
C. Major Equipment Procurement and Construction			
Preparation of Construction Documents	To be Initiated	Mar. 15, 2002	
Procurement of Owner Furnished Equipment & Materials	None	N/A	N/A
Bid Solicitation for Construction	To be Initiated	May 15, 2002	
Contract Award	To be Initiated	Jun. 15, 2002	
Notice to Proceed	To be Initiated	Jul. 1, 2002	
Delivery of Owner Furnished Equipment & Materials	None	N/A	N/A
Construction	To be Initiated	Sep. 30, 2003	
Demobilization	To be Initiated	Oct. 31, 2003	

Guam Waterworks Authority

Compliance Schedule Reporting

Period Ending: January 31, 2002

USEPA Docket CWA-402-9-01-19

Project Number 9—Milestones		
Project Name: Umatac/Merizo Sewerage Treatment Plant	**Location:** Umatac	**GWA Work Order:**

Project Overview:

This project involves bringing this very small (0.25 MGD) wastewater treatment plant serving the Umatac and Merizo areas into compliance with NPDES operating permit guidelines. Principal activities to be undertaken include the renovation of the plant.

Project Activities— Schedule and Status	Status	Estimated Completion Date	Actual Completion Date
A. Permitting			
Comprehensive Performance Evaluations	To be Initiated	Apr. 30, 2003	
Environmental Assessments and Construction Approval	To be Initiated	Apr. 15, 2004	
Local Building and Other Permits	To be Initiated	Apr. 15, 2004	
Operating Permits—others	To be Initiated	Sep. 30, 2004	
Operating Permits—NPDES	To be Initiated	Sep. 30, 2004	
B. Design, Engineering and Construction Management			
Preparation of A/E Bid Documents	To be Initiated	May 1, 2003	
Bid Solicitation	To be Initiated	Jul. 1, 2003	
Contract Award/PUC Approval	To be Initiated	Aug. 30, 2003	
Design Activities	To be Initiated	Nov. 30, 2003	
Construction Management Activities	To be Initiated	Sep. 30, 2004	
C. Major Equipment Procurement and Construction			
Preparation of Construction Documents	To be Initiated	Nov. 30, 2003	
Procurement of Owner Furnished Equipment & Materials	To be Initiated	Jan. 31, 2004	
Bid Solicitation for Construction	To be Initiated	Feb. 28, 2004	
Contract Award	To be Initiated	Mar. 31, 2004	
Notice to Proceed	To be Initiated	Apr. 15, 2004	
Delivery of Owner Furnished Equipment & Materials	To be Initiated	May 1, 2004	
Construction	To be Initiated	Sep. 30, 2004	
Demobilization	To be Initiated	Oct. 31, 2004	
D. Startup and Testing			
Development of Testing and Startup Procedures	To be Initiated	Jul. 31, 2004	
Test Major Equipment and Systems	To be Initiated	Aug. 30, 2004	
Startup Activities	To be Initiated	Sep. 30, 2004	

Guam Waterworks Authority

Compliance Schedule Reporting

Period Ending: January 31, 2002

USEPA Docket CWA-402-9-01-19

Project Number 10—Milestones		
Project Name: Umatac/Merizo Collector System Inflow/Infiltration	**Location:** Umatac	**GWA Work Order:**

Project Overview:

This project consist of evaluating existing collection facilities, identifying cost-effective mitigation measures, developing engineering solutions, and the rehabilitation and construction of various sewer collector lines, which are subject to high levels of inflow and infiltration (I&I).

Project Activities— Schedule and Status	Status	Estimated Completion Date	Actual Completion Date
A. Pre-Design and Pre-Construction Activities			
Preparation of Bid Documents and Bid Solicitation	To be Initiated	May 31, 2003	
Conduct Comprehensive Sewer System Evaluation Survey (SSES)	To be Initiated	Aug. 31, 2003	
Identify Cost Effective Mitigation Measures	To be Initiated	Sep. 30, 2003	
Develop Final Mitigation Plan	To be Initiated	Oct. 31, 2003	
B. Design, Engineering and Construction Management			
Preparation of A/E Bid Documents	To be Initiated	Nov. 30, 2003	
Bid Solicitation	To be Initiated	Jan. 1, 2004	
Contract Award/PUC Approval	To be Initiated	Mar. 1, 2004	
Design Activities	To be Initiated	Jun. 30, 2004	
Construction Management Activities	To be Initiated	Sep. 30, 2006	
C. Major Equipment Procurement and Construction			
Preparation of Construction Documents	To be Initiated	Jun. 30, 2004	
Procurement of Owner Furnished Equipment & Materials	To be Initiated	Sep. 30, 2004	
Bid Solicitation for Construction	To be Initiated	Oct. 31, 2004	
Contract Award	To be Initiated	Nov. 30, 2004	
Notice to Proceed	To be Initiated	Dec. 15, 2004	
Delivery of Owner Furnished Equipment & Materials	To be Initiated	Jan. 31, 2005	
Construction	To be Initiated	Aug. 30, 2006	
Demobilization	To be Initiated	Oct. 31, 2006	

Guam Waterworks Authority

Compliance Schedule Reporting

Period Ending: January 31, 2002

USEPA Docket CWA-402-9-01-19

Project Number 11—Milestones		
Project Name: Comprehensive Performance Evaluations	**Location:** All GWA locations	**GWA Work Order:**

Project Overview:

These comprehensive performance evaluations on each of GWA wastewater treatment plants will be undertaken to validate the nature of improvements required to both the physical facilities as well as operating procedures.

Project Activities— Schedule and Status	Status	Estimated Completion Date	Actual Completion Date
A. CPE Procurement—Agana & Northern			
Draft Scope of Work	Completed	Jul. 31, 2001	Jul. 31, 2001
Final Scope of Work	Completed	Aug. 31, 2001	Aug. 31, 2001
Advertise for Bid	Completed	Sep. 15, 2001	Sep. 15, 2001
Contract Award/PUC Approval	Completed	Oct. 31, 2001	Oct. 31, 2001
Notice to Proceed	Completed	Nov. 15, 2001	Nov. 15, 2001
Perform Evaluation	Underway	Dec. 31, 2001	Dec. 31, 2001
Preparation of Findings and Recommendations	Underway	Dec. 31, 2001	Dec. 31, 2001
Submit to EPA Corrective Action Plan	To be Initiated	Jan. 31, 2002	
B. CPE Procurement— Agat, Baza Gardens, and Umatac/Merizo			
Draft Scope of Work	To be Initiated	Aug. 1, 2002	
Final Scope of Work	To be Initiated	Sep.1, 2002	
Advertise for Bid	To be Initiated	Oct. 1, 2002	
Contract Award/PUC Approval	To be Initiated	Nov. 15, 2002	
Notice to Proceed	To be Initiated	Dec. 1, 2002	
Perform Evaluation	To be Initiated	Jan. 31, 2003	
Preparation of Findings and Recommendations	To be Initiated	Jan. 31, 2003	
Submit to EPA Corrective Action Plan	To be Initiated	Feb. 28, 2003	

Guam Waterworks Authority

Compliance Schedule Reporting

Period Ending: January 31, 2002

USEPA Docket CWA-402-9-01-19

Project Number 12—Milestones		
Project Name: Comprehensive Assessment of Pump Stations/Collection System	**Location:** All GWA locations	**GWA Work Order:**

Project Overview:

This activity will be included in the work activities to be undertaken by the performance management contractor (PMC) retained for the purposes of managing GWA's wastewater treatment and major pump stations. The work scope will involve undertaking a comprehensive assessment of all GWA pump stations and the collection system. Included will be an evaluation of GWA operations and maintenance practices.

Project Activities— Schedule and Status	Status	Estimated Completion Date	Actual Completion Date
A. PMC Procurement			
Develop PMC business and compensation model	To be Initiated	Apr. 30, 2002	
Develop staff training, development and certification requirements	To be Initiated	May 31, 2002	
Identify performance criteria, benchmarks or activity based objectives	To be Initiated	May 31, 2002	
Preparation of RFP Bid Documents	To be Initiated	Jun. 30, 2002	
Bid Solicitation	To be Initiated	Aug. 30, 2002	
Contract Award/PUC Approval	To be Initiated	Sep. 30, 2002	
Notice to Proceed	To be Initiated	Oct. 15, 2002	
B. Program Design			
PMC Mobilization—Program Design	To be Initiated	Oct. 15, 2002	
Identify Pump Stations and Major Wastewater Collection Systems	To be Initiated	Dec. 31, 2002	
Assess Existing Maintenance Tracking Database History	To be Initiated	Jan. 31, 2003	
Develop Physical Inspection Plan	To be Initiated	Feb. 28, 2003	
Approval of Inspection Plan	To be Initiated	Mar. 15, 2003	
C. Program Implementation			
Mobilization of Operations/Maintenance Specialists	To be Initiated	Apr. 1, 2003	
Conduct Inspection Program	To be Initiated	May 31, 2003	
Preparation of Initial Findings and Recommendations	To be Initiated	Jun. 30, 2003	
Submit Corrective Action Plan to GWA	To be Initiated	Jul. 15, 2003	
Input Findings into Preventive Maintenance Program Database	To be Initiated	Dec. 15, 2003	
Demobilization of Assessment Phase	To be Initiated	Jun. 30, 2003	

Guam Waterworks Authority

Compliance Schedule Reporting

Period Ending: January 31, 2002 USEPA Docket CWA-402-9-01-19

Project Number 13—Milestones		
Project Name: Preventive Maintenance Program Implementation	**Location:** All GWA locations	**GWA Work Order:**

Project Overview:

This activity will be included in the work activities to be undertaken by the performance management contractor (PMC) retained for the purposes of managing GWA's wastewater treatment and major pump stations. The work scope will involve providing proper operations and maintenance training to GWA personnel responsible for wastewater treatment. In addition, GWA plant personnel will be required to obtain requisite certification as plant operators.

Project Activities— Schedule and Status	Status	Estimated Completion Date	Actual Completion Date
A. PMC Procurement			
Develop PMC business and compensation model	To be Initiated	Apr. 30, 2002	
Develop staff training, development and certification requirements	To be Initiated	May 31, 2002	
Identify performance criteria, benchmarks or activity based objectives	To be Initiated	May 31, 2002	
Preparation of RFP Bid Documents	To be Initiated	Jun. 30, 2002	
Bid Solicitation	To be Initiated	Aug. 30, 2002	
Contract Award/PUC Approval	To be Initiated	Sep. 30, 2002	
Notice to Proceed	To be Initiated	Oct. 15, 2002	
B. Program Design			
Maintenance Planning Skills Gap/Best Practices	To be Initiated	Nov. 30, 2002	
Identify and Adapt Maintenance Tracking Tools	To be Initiated	Feb. 28, 2003	
Identify Major Wastewater Equip/Systems	To be Initiated	May 30, 2003	
Design Maintenance Work Order and Reporting Systems	To be Initiated	May 30, 2003	
Approval of Maintenance Planning Systems	To be Initiated	Jun. 30, 2003	
C. Program Implementation			
PMC Mobilization	To be Initiated	Oct. 15, 2002	
Mobilization of Operations/Maintenance Specialists	To be Initiated	Nov. 15, 2002	
Train Maintenance Planners	To be Initiated	Apr. 15, 2003	
Implement Ongoing Preventive Maintenance Activities	To be Initiated	Jul. 1, 2003	
Initiate On-Job Related Training	To be Initiated	Jul. 1, 2003	
Develop Equipment Histories	To be Initiated	Dec. 15, 2003	
Continuing Maintenance Activities	To be Initiated	Sep. 30, 2006	
D. Program Evaluation			
Semi-annual Reviews	To be Initiated	Jan. 30, 2004	
Program Redesign	To be Initiated	Mar. 30, 2004	

Guam Waterworks Authority

Compliance Schedule Reporting

Period Ending: January 31, 2002 USEPA Docket CWA-402-9-01-19

Project Number 14—Milestones		
Project Name: Operator Training & Certification	**Location:** All GWA locations	**GWA Work Order:**

Project Overview:

This activity will be included in the work activities to be undertaken by the performance management contractor (PMC) retained for the purposes of managing GWA's wastewater treatment and major pump stations. The work scope will involve providing proper operations and maintenance training to GWA personnel responsible for wastewater treatment. In addition, GWA plant personnel will be required to obtain requisite certification as plant operators

Project Activities— Schedule and Status	Status	Estimated Completion Date	Actual Completion Date
A. PMC Procurement			
Develop PMC business and compensation model	To be Initiated	Apr. 30, 2002	
Develop staff training, development and certification requirements	To be Initiated	May 31, 2002	
Identify performance criteria, benchmarks or activity based objectives	To be Initiated	May 31, 2002	
Preparation of RFP Bid Documents	To be Initiated	Jun. 30, 2002	
Bid Solicitation	To be Initiated	Aug. 30, 2002	
Contract Award/PUC Approval	To be Initiated	Sep. 30, 2002	
Notice to Proceed	To be Initiated	Oct. 15, 2002	
B. Program Design			
Conduct Skills Gap Analysis	To be Initiated	Dec. 31, 2002	
Review Existing Practices vs. Industry Best Practices	To be Initiated	Dec. 31, 2002	
Develop Training and Certification Programs	To be Initiated	Feb. 28, 2002	
Develop Train the Trainer Program	To be Initiated	Mar. 30, 2002	
Approval of Training and Certification Programs	To be Initiated	Mar. 30, 2002	
C. Program Implementation			
PMC Mobilization	To be Initiated	Oct. 15, 2002	
Mobilization of Training Specialists	To be Initiated	Mar. 15, 2003	
Initiate Train the Trainer Activities	To be Initiated	Apr. 15, 2003	
Initiate Formal Training Activities for Operations Personnel	To be Initiated	Mar. 15, 2003	
Evaluate Individual Employee Training Requirements	To be Initiated	Jun. 30, 2003	
Initiate On-Job Related Training	To be Initiated	Jul. 1, 2003	
Continuing Training Activities	To be Initiated	Sep. 30, 2006	
D. Program Evaluation			
Develop Employee Testing Programs	To be Initiated	Feb. 28, 2003	
Test and Evaluate Employees	To be Initiated	Jun. 30, 2003	
Modify Training and Certification Programs	To be Initiated	Aug. 1, 2003	
Retest and Reevaluate Employees	To be Initiated	Dec. 1, 2003	

Guam Waterworks Authority

Compliance Schedule Reporting

Period Ending: January 31, 2002

USEPA Docket CWA-402-9-01-19

Project Number 15—Milestones		
Project Name: Monitoring Requirements	**Location:** All GWA locations	**GWA Work Order:**

Project Overview:

This activity will involve supplementing GWA's routine wastewater sampling and monitoring at its various STP. This service will be provided by a private contractor utilizing certified laboratory services until that time that GWA puts in place the necessary personnel and equipment resources to properly monitor its STP facilities.

Project Activities— Schedule and Status	Status	Estimated Completion Date	Actual Completion Date
A. Procurement of Laboratory Services			
Develop Work Scope and Schedule of Services	To be Initiated	Feb. 28, 2002	
Preparation of RFP Bid Documents	To be Initiated	Mar. 31, 2002	
Bid Solicitation	To be Initiated	May 15, 2002	
Contract Award/PUC Approval, if required	To be Initiated	Jun. 1, 2002	
Notice to Proceed	To be Initiated	Jun. 15, 2002	
B. Design and Implementation of Monitoring and Certification Program			
Perform supplemental monitoring	To be Initiated	Sep. 30, 2004	
Conduct Skills Gap Analysis	To be Initiated	Aug. 15, 2002	
Review Existing Practices vs. Industry Best Practices	To be Initiated	Sep. 15, 2002	
Develop Monitoring and Lab Certification Program	To be Initiated	Nov. 15, 2002	
Evaluate Individual Employee Training Requirements	To be Initiated	Nov. 15, 2002	
Acquire Necessary Equipment	To be Initiated	Dec. 31, 2002	
Train or Retain Personnel Qualified in Proper Laboratory Practices	To be Initiated	Sep. 30, 2003	
Test GWA Lab Against Independent Labs	To be Initiated	Dec. 31, 2003	
C. Program Evaluation			
Develop Laboratory Testing Programs	To be Initiated	Dec. 31, 2003	
Test and Evaluate Employees	To be Initiated	Feb. 28, 2004	
Modify Laboratory Procedures, as necessary	To be Initiated	Mar. 31, 2004	

Guam Waterworks Authority

Compliance Schedule Reporting

Period Ending: January 31, 2002

USEPA Docket CWA-402-9-01-19

Project Number 16—Milestones		
Project Name: Wastewater Facilities Plan	**Location:** GWA system-wide	**GWA Work Order:**

Project Overview:

This activity will involve an update to the GWA Facilities Plan finalized in December 1994

Project Activities— Schedule and Status	Status	Estimated Completion Date	Actual Completion Date
A. Facilities Planning			
Preparation of Bid Documents	To be Initiated	Jan. 15, 2005	
Bid Solicitation	To be Initiated	Apr.1, 2005	
Contract Award/PUC Approval	To be Initiated	Jun. 1, 2005	
Research and Analysis	To be Initiated	Mar. 1, 2006	
Preparation of Initial Findings and Recommendations	To be Initiated	May 1, 2006	
B. Approval and Finalization of Facilities Plan			
Review Session w/GWA Board of Directors and Management	To be Initiated	May 15, 2006	
Review by the PUC	To be Initiated	Jun. 1, 2006	
Development of Implementation Plans	To be Initiated	Aug. 31, 2006	
Finalize Report	To be Initiated	Sep. 30, 2006	

GUAM WATERWORKS AUTHORITY
Aturidat Kinalamten Hanon Guahan
Government of Guam
P.O. Box 3010, Agana, Guam 96932
Phone: (671) 479-7823 • Fax: (671) 479-7879



U.S. Environmental Protection Agency
Pacific Insular Area Programs (CMD-5)
74 Hawthorne Street
San Francisco, CA 94105

Administrator
Guam Environmental Protection Agency
P.O. Box 22439-GMF
Barrigada, Guam 96921

Re: **ORDER ON CONSENT - Quarterly Compliance Progress Report, Third Quarter 2002**

Dear Sir:

The following pages and attachments describe the actions taken to date towards completing the compliance activities as specified in the Order on Consent. The reporting format follows the recommendations made by your office (USEPA letter dated June 12, 2002), which should facilitate your evaluation of our compliance actions.

I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, I certify that the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

Sincerely,

GIL A. SHINOHARA
Acting General Manager

GUAM WATERWORKS AUTHORITY
Aturidat Kinalamten Hanon Guahan
Government of Guam
P.O. Box 3010, Agana, Guam 96932
Phone: (671) 479-7823 • Fax: (671) 479-7879

AUG 15 2002

U.S. Environmental Protection Agency
Pacific Insular Area Programs (CMD-5)
74 Hawthorne Street
San Francisco, CA 94105

Administrator
Guam Environmental Protection Agency
P.O. Box 22439-GMF
Barrigada, Guam 96921

Re: **ORDER ON CONSENT - Quarterly Compliance Progress Report, Third Quarter 2002**

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I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, I certify that the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

Sincerely,

GIL A. SHINOHARA
Acting General Manager

ATTACHMENTS

GWA Order on Consent - Compliance Schedule Reporting

GWA letter to Senator Joanne M. Salas Brown (FY03 Budget)

Public Utilities Commission Docket 02-02

Guam Economical Development Authority (Ref: RFP/P.L. 26-78)

Bank of Guam Financing Proposal

Guam Waterworks Authority

Compliance Schedule Reporting

Period Ending: January 31, 2002 — **Financial Plan Implementation—Milestones** — USEPA Docket CWA-402-9-01-19

Program Name:	Location:	GWA Work Order:
Consent Order	Guam-GWA	

Program Overview:

The overall program includes the planning and implementation of activities necessary to allow GWA to access the capital funds necessary to meet its obligations to the USEPA under the Consent Order. Specifically, it identifies the implementation steps that will result in GWA obtaining the necessary capital funds to construct those improvements necessary to comply with its various NPDES permits and the Clean Water Act.

Program Activities—Schedule and Status	Status	Estimated Completion Date	Actual Completion Date
A. PUC Actions			
Order/Resolution Approving Path To Implement Consent Order	Completed	Dec. 11, 2001	Dec. 11, 2001
Recommendations to Legislature Authorizing GWA Debt Issuance	Completed	Jan. 31, 2002	**Mar. 2002**
Authorize GWA Implement Revenue Enhancement BOTs	To be Initiated	Mar. 30, 2002	*A*
Authorize GWA Implement BOT or PMC for Management of STPs	To be Initiated	Sep. 30, 2002	
Authorize Rate Changes	To be Initiated	Mar. 31, 2003	
Monitor GWA Implementation of Consent Order Activities	To be Initiated	Sep. 30, 2006	
B. Guam Legislative Actions			
Authorize Increase in GWA Short-Term Debt Limit	Completed	Apr 30, 2002	**Mar. 2002**
Approve FY 2002 Budget Amendments for Consent Order Obligations	To be Initiated	Apr 30, 2002	*B*
Authorize Long-Term Debt Issuance/Approve Bond Indenture	To be Initiated	Oct. 1, 2003	
C. Short-Term Debt Activities			
Finalize Short-Term Requirements	To be Initiated	Mar. 1, 2002	*C*
Develop Loan Package	To be Initiated	Mar. 31, 2002	*C*
Accept Proposals and Award	To be Initiated	May 31, 2002	*C*
D. Long-Term Debt Activities			
Finalize Rate Request	To be Initiated	Dec. 31, 2002	
Identify Administrative and Statutory Changes to Support Financial Autonomy	To be Initiated	May 31, 2003	
Finalize Long-Term Capital Improvement Program	To be Initiated	Jun. 30, 2003	
Finalize Detailed Five-Year Operating Pro-forma	To be Initiated	Jun. 30, 2003	
Consulting/Engineering Report for Financing	To be Initiated	Jul. 31, 2003	
Bond Indenture/Official Statement	To be Initiated	Aug. 30, 2003	
Rating Agency/Bond Insurance Meetings	To be Initiated	Sep. 1, 2003	
Sale and Closing	To be Initiated	Oct. 15, 2003	
E. Post Closing GWA Financial Operations			
Implement Administrative Changes	To be Initiated	Jul. 1, 2003	
Implement Ongoing Capital Budgeting	To be Initiated	Oct. 1, 2003	

Guam Waterworks Authority

Compliance Schedule Reporting

Period Ending: January 31, 2002

USEPA Docket CWA-402-9-01-19

Financial Plan Implementation—Comments on Milestones and Expenditures

GWA Comments:

A - GWA had requested via telephone for a status update from the Public Utilities Commission (PUC) concerning the PUC actions required and milestone deadlines set in the Consent Order. We have yet to receive a response from them and will be following up with a formal letter. The letter and their response will be promptly faxed your office upon receipt.

B - Deadline will not be met; Consent Order Obligations have been included in FY03 budget. GWA presently attending legislative budget hearings to discuss possible funding to sources to address Consent Order requirements. The latest of these hearings to be held on August 16, 2002.

C - February 25, 2002

Guam Economic Development Authority (GEDA) issues Solicitation of interest letters to all local banks in an effort to gauge their interest in providing $20 to $25 million dollars of financing in order to begin efforts to comply with USEPA's Consent Order Docket CWA-402-9-01-19. Of the six banks contacted, only four banks responded, and each declined interest in providing financial assistance to GWA. When asked about the reasons for the decline, GEDA was informed that the reason was a lack of a secure revenue source.

April 29, 2002

GEDA issues RFP No. 02-005 referencing P.L. 26-78 which authorizes GWA to incur short-term debt in an amount not to exceed $21.2 million. The RFP is both faxed and hand delivered to all local banks. Additionally, GEDA's Financial Advisors seek interest from off-island banks, primarily in the New York financial district.

May 10, 2002 to present.

GEDA closes RFP No. 02-005 and only the Bank of Guam responds. GEDA's Board of Directors then approves of the formation of a negotiating team tasked with the negotiations of the GWA financing, as well as a $40 million loan request under RFP No. 02-007. The Bank of Guam suggests, and the Government's negotiating team agrees, to discuss RFP No. 02-007 before discussing GWA's financing under RFP No. 02-005. The negotiating team agrees to the interest rate and the maturity dates, however, the Bank requests a legislative amendment specifically pledging Section 30 funds as the repayment source of the $40 million loan. GEDA informs Bank of Guam its legal counsel, the Legislative Counsel (Atty. Therese Terlaje), and the AG's Office believe that the existing language is already sufficient, that such an amendment is not necessary, and that the Bank's requirement for a pledge of Section 30 funds to secure GWA's financing is outside the authorization contained in P.L. 26-78. The financing discussions thereafter cease due to the impasse, and GEDA terminates the negotiations in order to work towards issuing a new RFP. GWA and GEDA are presently discussing this matter and the possible alternatives to securing the legislatively approved short-term debt of $21.2 million.

Approved for Submittal:

GWA Compliance Coordinator

Guam Waterworks Authority

Compliance Schedule Reporting

Period Ending: January 31, 2002

USEPA Docket CWA-402-9-01-19

COMPLIANCE SCHEDULES

Project Number 3—Milestones

Project Name:	Location:	GWA Work Order:
Agana Sewerage Treatment Plant	Agana	

Project Overview:

This project involves bringing this major (12.0 MGD) wastewater treatment plant serving large incorporated areas of Guam into compliance with NPDES operating permit guidelines. Principal activities to be undertaken include the renovation of the plant.

Project Activities— Schedule and Status	Status	Estimated Completion Date	Actual Completion Date
A. Permitting and Pre-Design			
Comprehensive Performance Evaluations	To be Initiated	Jan. 31, 2002	*A*
Environmental Assessments and Construction Approval	To be Initiated	Oct. 1, 2003	
Local Building and Other Permits	To be Initiated	Oct. 1, 2003	
Operating Permits—others	To be Initiated	Sep. 30, 2004	
Operating Permits—NPDES	To be Initiated	Sep. 30, 2004	
B. Design, Engineering and Construction Management			
Preparation of A/E Bid Documents	To be Initiated	Nov. 30, 2002	
Bid Solicitation	To be Initiated	Jan. 1, 2003	
Contract Award/PUC Approval	To be Initiated	Mar. 1, 2003	
Design Activities	To be Initiated	Jun. 30, 2003	
Construction Management Activities	To be Initiated	Sep. 30, 2004	
C. Major Equipment Procurement and Construction			
Preparation of Construction Documents	To be Initiated	Jun. 30, 2003	
Procurement of Owner Furnished Equipment & Materials	To be Initiated	Sep. 30, 2003	
Bid Solicitation for Construction	To be Initiated	Oct. 31, 2003	
Contract Award	To be Initiated	Nov. 30, 2003	
Notice to Proceed	To be Initiated	Dec. 15, 2003	
Delivery of Owner Furnished Equipment & Materials	To be Initiated	Jan. 31, 2004	
Construction	To be Initiated	Sep. 30, 2004	
Demobilization	To be Initiated	Oct. 31, 2004	
D. Startup and Testing			
Development of Testing and Startup Procedures	To be Initiated	Jul. 31, 2004	
Test Major Equipment and Systems	To be Initiated	Aug. 30, 2004	
Startup Activities	To be Initiated	Sep. 30, 2004	

Guam Waterworks Authority

Compliance Schedule Reporting

Period Ending: January 31, 2002

USEPA Docket CWA-402-9-01-19

Project Number 3—Comments on Milestones and Expenditures

GWA Comments:

A - CPE 90% complete. Consultant awaiting additional payment before completing remaining work. GWA has requested for the consultant to resubmit the invoice for the additional payment. In the interim, GWA is working with the Department of Public Works (DPW) and the Department of Administration (DOA) to locate the money initially set aside for such projects by P.L. 23-137 (26-65, as presently amended) According to the consultant, once payment is received, the Final CPE Report will be submitted to GWA in approximately one week from payment date.

Approved for Submittal:

GWA Compliance Coordinator

Guam Waterworks Authority

Compliance Schedule Reporting

Period Ending: January 31, 2002

USEPA Docket CWA-402-9-01-19

Project Number 4—Milestones

Project Name:	Location:	GWA Work Order:
Agana STP Outfall	Agana	

Project Overview:

This project involves the extension of the existing effluent disposal outfall into significantly deeper water for more sufficient mixing and dilution of effluent.

Project Activities— Schedule and Status	Status	Estimated Completion Date	Actual Completion Date
A. Permitting and Pre-Design			
Environmental Assessments and Construction Approval	To be Initiated	Jul. 1, 2002	*A*
Local Building and Other Permits	To be Initiated	Jul. 1, 2002	*A*
Operating Permits—others	To be Initiated	Sep. 30, 2003	GWA
Operating Permits—NPDES	To be Initiated	Sep. 30, 2003	GWA
B. Design, Engineering and Construction Management			
Preparation of A/E Bid Documents	Completed	GWA	GWA
Bid Solicitation	Completed	GWA	GWA
Contract Award/PUC Approval	Completed	GWA	GWA
Design Activities	Completed	Oct. 31, 2001	Oct. 31, 2001
Construction Management Activities	Pending	Sep. 30, 2003	
C. Major Equipment Procurement and Construction			
Preparation of Construction Documents	To be Initiated	Mar. 15, 2002	*A*
Procurement of Owner Furnished Equipment & Materials	None	N/A	N/A
Bid Solicitation for Construction	To be Initiated	May 15, 2002	*A*
Contract Award	To be Initiated	Jun. 15, 2002	*A*
Notice to Proceed	To be Initiated	Jul. 1, 2002	*A*
Delivery of Owner Furnished Equipment & Materials	None	N/A	N/A
Construction	To be Initiated	Sep. 30, 2003	
Demobilization	To be Initiated	Oct. 31, 2003	

Guam Waterworks Authority

Compliance Schedule Reporting

Period Ending: January 31, 2002

USEPA Docket CWA-402-9-01-19

Project Number 4—Comments on Milestones and Expenditures

GWA Comments:

A - Unable to meet milestone deadline due to failure to secure short-term loan (ref: Comments on Financial Plan Milestones).

Approved for Submittal:

GWA Compliance Coordinator

Guam Waterworks Authority

Compliance Schedule Reporting

Period Ending: January 31, 2002

USEPA Docket CWA-402-9-01-19

Project Number 7—Milestones

Project Name:	Location:	GWA Work Order:
Northern Sewerage Treatment Plant	Dededo	

Project Overview:

This project involves bringing this major (12.0 MGD) wastewater treatment plant serving the northern areas of Guam into compliance with NPDES operating permit guidelines. Principal activities to be undertaken include the renovation of the plant.

Project Activities— Schedule and Status	Status	Estimated Completion Date	Actual Completion Date
A. Permitting			
Comprehensive Performance Evaluations	To be Initiated	Jan. 31, 2002	*A*
Environmental Assessments and Construction Approval	To be Initiated	Oct. 1, 2003	
Local Building and Other Permits	To be Initiated	Oct. 1, 2003	
Operating Permits—others	To be Initiated	Sep. 30, 2004	
Operating Permits—NPDES	To be Initiated	Sep. 30, 2004	
B. Design, Engineering and Construction Management			
Preparation of A/E Bid Documents	To be Initiated	Nov. 30, 2002	
Bid Solicitation	To be Initiated	Jan. 1, 2003	
Contract Award/PUC Approval	To be Initiated	Mar. 1, 2003	
Design Activities	To be Initiated	Jun. 30, 2003	
Construction Management Activities	To be Initiated	Sep. 30, 2004	
C. Major Equipment Procurement and Construction			
Preparation of Construction Documents	To be Initiated	Jun. 30, 2003	
Procurement of Owner Furnished Equipment & Materials	To be Initiated	Sep. 30, 2003	
Bid Solicitation for Construction	To be Initiated	Oct. 31, 2003	
Contract Award	To be Initiated	Nov. 30, 2003	
Notice to Proceed	To be Initiated	Dec. 15, 2003	
Delivery of Owner Furnished Equipment & Materials	To be Initiated	Jan. 31, 2004	
Construction	To be Initiated	Sep. 30, 2004	
Demobilization	To be Initiated	Oct. 31, 2004	
D. Startup and Testing			
Development of Testing and Startup Procedures	To be Initiated	Jul. 31, 2004	
Test Major Equipment and Systems	To be Initiated	Aug. 30, 2004	
Startup Activities	To be Initiated	Sep. 30, 2004	

Guam Waterworks Authority

Compliance Schedule Reporting

Period Ending: January 31, 2002

USEPA Docket CWA-402-9-01-19

Project Number 7—Comments on Milestones and Expenditures

GWA Comments:

A - Unable to meet milestone deadline due to failure to secure short-term loan (ref: Comments on Financial Plan Milestones).

Approved for Submittal:

GWA Compliance Coordinator

Guam Waterworks Authority

Compliance Schedule Reporting

Period Ending: January 31, 2002

USEPA Docket CWA-402-9-01-19

Project Number 8—Milestones

Project Name:	Location:	GWA Work Order:
Northern STP Outfall	Dededo	

Project Overview:

This project involves the extension of the existing effluent disposal outfall into significantly deeper water for more sufficient mixing and dilution of effluent.

Project Activities— Schedule and Status	Status	Estimated Completion Date	Actual Completion Date
A. Permitting and Pre-Design			
Environmental Assessments and Construction Approval	To be Initiated	Jul. 1, 2002	*A*
Local Building and Other Permits	To be Initiated	Jul. 1, 2002	*A*
Operating Permits—others	To be Initiated	Sep. 30, 2003	
Operating Permits—NPDES	To be Initiated	Sep. 30, 2003	
B. Design, Engineering and Construction Management			
Preparation of A/E Bid Documents	Completed	GWA	GWA
Bid Solicitation	Completed	GWA	GWA
Contract Award/PUC Approval	Completed	GWA	GWA
Design Activities	Completed	Oct. 31, 2001	Oct. 31, 2001
Construction Management Activities	Pending	Sep. 30, 2003	
C. Major Equipment Procurement and Construction			
Preparation of Construction Documents	To be Initiated	Mar. 15, 2002	*A*
Procurement of Owner Furnished Equipment & Materials	None	N/A	N/A
Bid Solicitation for Construction	To be Initiated	May 15, 2002	*A*
Contract Award	To be Initiated	Jun. 15, 2002	*A*
Notice to Proceed	To be Initiated	Jul. 1, 2002	*A*
Delivery of Owner Furnished Equipment & Materials	None	N/A	N/A
Construction	To be Initiated	Sep. 30, 2003	
Demobilization	To be Initiated	Oct. 31, 2003	

Guam Waterworks Authority

Compliance Schedule Reporting

Period Ending: January 31, 2002

USEPA Docket CWA-402-9-01-19

Project Number 8—Comments on Milestones and Expenditures

GWA Comments:

A - Unable to meet milestone deadline due to failure to secure short-term loan (ref: Comments on Financial Plan Milestones).

Approved for Submittal:

GWA Compliance Coordinator

Guam Waterworks Authority

Compliance Schedule Reporting

Period Ending: January 31, 2002

USEPA Docket CWA-402-9-01-19

Project Number 11—Milestones

Project Name:	Location:	GWA Work Order:
Comprehensive Performance Evaluations	All GWA locations	

Project Overview:

These comprehensive performance evaluations on each of GWA wastewater treatment plants will be undertaken to validate the nature of improvements required to both the physical facilities as well as operating procedures.

Project Activities— Schedule and Status	Status	Estimated Completion Date	Actual Completion Date
A. CPE Procurement—Agana & Northern			
Draft Scope of Work	Completed	Jul. 31, 2001	Jul. 31, 2001
Final Scope of Work	Completed	Aug. 31, 2001	Aug. 31, 2001
Advertise for Bid	Completed	Sep. 15, 2001	Sep. 15, 2001
Contract Award/PUC Approval	Completed	Oct. 31, 2001	Oct. 31, 2001
Notice to Proceed	Completed	Nov. 15, 2001	Nov. 15, 2001
Perform Evaluation	Underway	Dec. 31, 2001	Dec. 31, 2001
Preparation of Findings and Recommendations	Underway	Dec. 31, 2001	Dec. 31, 2001
Submit to EPA Corrective Action Plan	To be Initiated	Jan. 31, 2002	*A*
B. CPE Procurement— Agat, Baza Gardens, and Umatac/Merizo			
Draft Scope of Work	To be Initiated	Aug. 1, 2002	*B*
Final Scope of Work	To be Initiated	Sep. 1, 2002	
Advertise for Bid	To be Initiated	Oct. 1, 2002	
Contract Award/PUC Approval	To be Initiated	Nov. 15, 2002	
Notice to Proceed	To be Initiated	Dec. 1, 2002	
Perform Evaluation	To be Initiated	Jan. 31, 2003	
Preparation of Findings and Recommendations	To be Initiated	Jan. 31, 2003	
Submit to EPA Corrective Action Plan	To be Initiated	Feb. 28, 2003	

Guam Waterworks Authority

Compliance Schedule Reporting

Period Ending: January 31, 2002

USEPA Docket CWA-402-9-01-19

Project Number 11—Comments on Milestones and Expenditures

GWA Comments:

A - CPE 90% complete. Consultant awaiting additional payment before completing remaining work. GWA has requested for the consultant to resubmit the invoice for the additional payment. In the interim, GWA is working with the Department of Public Works (DPW) and the Department of Administration (DOA) to locate the money initially set aside for such projects by P.L. 23-137 (26-65, as presently amended). According to the consultant, once payment is received, the Final CPE Report will be submitted to GWA in approximately one week from payment date.

B - Unable to meet milestone deadline due to failure to secure short-term loan (ref: Comments on Financial Plan Milestones).

Approved for Submittal:

GWA Compliance Coordinator

Guam Waterworks Authority

Compliance Schedule Reporting

Period Ending: January 31, 2002

USEPA Docket CWA-402-9-01-19

Project Number 12—Milestones

Project Name:	Location:	GWA Work Order:
Comprehensive Assessment of Pump Stations/Collection System	All GWA locations	

Project Overview:

This activity will be included in the work activities to be undertaken by the performance management contractor (PMC) retained for the purposes of managing GWA's wastewater treatment and major pump stations. The work scope will involve undertaking a comprehensive assessment of all GWA pump stations and the collection system. Included will be an evaluation of GWA operations and maintenance practices.

Project Activities— Schedule and Status	Status	Estimated Completion Date	Actual Completion Date
A. PMC Procurement			
Develop PMC business and compensation model	To be Initiated	Apr. 30, 2002	*A*
Develop staff training, development and certification requirements	To be Initiated	May 31, 2002	*A*
Identify performance criteria, benchmarks or activity based objectives	To be Initiated	May 31, 2002	*A*
Preparation of RFP Bid Documents	To be Initiated	Jun. 30, 2002	*A*
Bid Solicitation	To be Initiated	Aug. 30, 2002	*A*
Contract Award/PUC Approval	To be Initiated	Sep. 30, 2002	
Notice to Proceed	To be Initiated	Oct. 15, 2002	
B. Program Design			
PMC Mobilization—Program Design	To be Initiated	Oct. 15, 2002	
Identify Pump Stations and Major Wastewater Collection Systems	To be Initiated	Dec. 31, 2002	
Assess Existing Maintenance Tracking Database History	To be Initiated	Jan. 31, 2003	
Develop Physical Inspection Plan	To be Initiated	Feb. 28, 2003	
Approval of Inspection Plan	To be Initiated	Mar. 15, 2003	
C. Program Implementation			
Mobilization of Operations/Maintenance Specialists	To be Initiated	Apr. 1, 2003	
Conduct Inspection Program	To be Initiated	May 31, 2003	
Preparation of Initial Findings and Recommendations	To be Initiated	Jun. 30, 2003	
Submit Corrective Action Plan to GWA	To be Initiated	Jul. 15, 2003	
Input Findings into Preventive Maintenance Program Database	To be Initiated	Dec. 15, 2003	
Demobilization of Assessment Phase	To be Initiated	Jun. 30, 2003	

Guam Waterworks Authority

Compliance Schedule Reporting

Period Ending: January 31, 2002

USEPA Docket CWA-402-9-01-19

Project Number 12—Comments on Milestones and Expenditures

GWA Comments:

A - Unable to meet milestone deadline due to failure to secure short-term loan (ref: Comments on Financial Plan Milestones).

Approved for Submittal:

GWA Compliance Coordinator

Guam Waterworks Authority

Compliance Schedule Reporting

Period Ending: January 31, 2002

USEPA Docket CWA-402-9-01-19

Project Number 13—Milestones

Project Name:	Location:	GWA Work Order:
Preventive Maintenance Program Implementation	All GWA locations	

Project Overview:

This activity will be included in the work activities to be undertaken by the performance management contractor (PMC) retained for the purposes of managing GWA's wastewater treatment and major pump stations. The work scope will involve providing proper operations and maintenance training to GWA personnel responsible for wastewater treatment. In addition, GWA plant personnel will be required to obtain requisite certification as plant operators.

Project Activities— Schedule and Status	Status	Estimated Completion Date	Actual Completion Date
A. PMC Procurement			
Develop PMC business and compensation model	To be Initiated	Apr. 30, 2002	*A*
Develop staff training, development and certification requirements	To be Initiated	May 31, 2002	*A*
Identify performance criteria, benchmarks or activity based objectives	To be Initiated	May 31, 2002	*A*
Preparation of RFP Bid Documents	To be Initiated	Jun. 30, 2002	*A*
Bid Solicitation	To be Initiated	Aug. 30, 2002	*A*
Contract Award/PUC Approval	To be Initiated	Sep. 30, 2002	
Notice to Proceed	To be Initiated	Oct. 15, 2002	
B. Program Design			
Maintenance Planning Skills Gap/Best Practices	To be Initiated	Nov. 30, 2002	
Identify and Adapt Maintenance Tracking Tools	To be Initiated	Feb. 28, 2003	
Identify Major Wastewater Equip/Systems	To be Initiated	May 30, 2003	
Design Maintenance Work Order and Reporting Systems	To be Initiated	May 30, 2003	
Approval of Maintenance Planning Systems	To be Initiated	Jun. 30, 2003	
C. Program Implementation			
PMC Mobilization	To be Initiated	Oct. 15, 2002	
Mobilization of Operations/Maintenance Specialists	To be Initiated	Nov. 15, 2002	
Train Maintenance Planners	To be Initiated	Apr. 15, 2003	
Implement Ongoing Preventive Maintenance Activities	To be Initiated	Jul. 1, 2003	
Initiate On-Job Related Training	To be Initiated	Jul. 1, 2003	
Develop Equipment Histories	To be Initiated	Dec. 15, 2003	
Continuing Maintenance Activities	To be Initiated	Sep. 30, 2006	
D. Program Evaluation			
Semi-annual Reviews	To be Initiated	Jan. 30, 2004	
Program Redesign	To be Initiated	Mar. 30, 2004	

Guam Waterworks Authority

Compliance Schedule Reporting

Period Ending: January 31, 2002

USEPA Docket CWA-402-9-01-19

Project Number 13—Comments on Milestones and Expenditures

GWA Comments:

A - Unable to meet milestone deadline due to failure to secure short-term loan (ref: Comments on Financial Plan Milestones).

Approved for Submittal:

GWA Compliance Coordinator

Guam Waterworks Authority

Compliance Schedule Reporting

Period Ending: January 31, 2002

USEPA Docket CWA-402-9-01-19

Project Number 14—Milestones

Project Name:	Location:	GWA Work Order:
Operator Training & Certification	All GWA locations	

Project Overview:

This activity will be included in the work activities to be undertaken by the performance management contractor (PMC) retained for the purposes of managing GWA's wastewater treatment and major pump stations. The work scope will involve providing proper operations and maintenance training to GWA personnel responsible for wastewater treatment. In addition, GWA plant personnel will be required to obtain requisite certification as plant operators

Project Activities— Schedule and Status	Status	Estimated Completion Date	Actual Completion Date
A. PMC Procurement			
Develop PMC business and compensation model	To be Initiated	Apr. 30, 2002	*A*
Develop staff training, development and certification requirements	To be Initiated	May 31, 2002	*A*
Identify performance criteria, benchmarks or activity based objectives	To be Initiated	May 31, 2002	*A*
Preparation of RFP Bid Documents	To be Initiated	Jun. 30, 2002	*A*
Bid Solicitation	To be Initiated	Aug. 30, 2002	*A*
Contract Award/PUC Approval	To be Initiated	Sep. 30, 2002	
Notice to Proceed	To be Initiated	Oct. 15, 2002	
B. Program Design			
Conduct Skills Gap Analysis	To be Initiated	Dec. 31, 2002	
Review Existing Practices vs. Industry Best Practices	To be Initiated	Dec. 31, 2002	
Develop Training and Certification Programs	To be Initiated	Feb. 28, 2002	
Develop Train the Trainer Program	To be Initiated	Mar. 30, 2002	
Approval of Training and Certification Programs	To be Initiated	Mar. 30, 2002	
C. Program Implementation			
PMC Mobilization	To be Initiated	Oct. 15, 2002	
Mobilization of Training Specialists	To be Initiated	Mar. 15, 2003	
Initiate Train the Trainer Activities	To be Initiated	Apr. 15, 2003	
Initiate Formal Training Activities for Operations Personnel	To be Initiated	Mar. 15, 2003	
Evaluate Individual Employee Training Requirements	To be Initiated	Jun. 30, 2003	
Initiate On-Job Related Training	To be Initiated	Jul. 1, 2003	
Continuing Training Activities	To be Initiated	Sep. 30, 2006	
D. Program Evaluation			
Develop Employee Testing Programs	To be Initiated	Feb. 28, 2003	
Test and Evaluate Employees	To be Initiated	Jun. 30, 2003	
Modify Training and Certification Programs	To be Initiated	Aug. 1, 2003	
Retest and Reevaluate Employees	To be Initiated	Dec 1, 2003	

Guam Waterworks Authority

Compliance Schedule Reporting

Period Ending: January 31, 2002

USEPA Docket CWA-402-9-01-19

Project Number 14—Comments on Milestones and Expenditures

GWA Comments:

A - Unable to meet milestone deadline due to failure to secure short-term loan (ref: Comments on Financial Plan Milestones).

Approved for Submittal:

GWA Compliance Coordinator

Guam Waterworks Authority

Compliance Schedule Reporting

Period Ending: January 31, 2002

USEPA Docket CWA-402-9-01-19

Project Number 15—Milestones

Project Name:	Location:	GWA Work Order:
Monitoring Requirements	All GWA locations	

Project Overview:

This activity will involve supplementing GWA's routine wastewater sampling and monitoring at its various STP. This service will be provided by a private contractor utilizing certified laboratory services until that time that GWA puts in place the necessary personnel and equipment resources to properly monitor its STP facilities.

Project Activities— Schedule and Status	Status	Estimated Completion Date	Actual Completion Date
A. Procurement of Laboratory Services			
Develop Work Scope and Schedule of Services	To be Initiated	Feb. 28, 2002	*A*
Preparation of RFP Bid Documents	To be Initiated	Mar. 31, 2002	*A*
Bid Solicitation	To be Initiated	May 15, 2002	*A*
Contract Award/PUC Approval, if required	To be Initiated	Jun. 1, 2002	*A*
Notice to Proceed	To be Initiated	Jun. 15, 2002	*A*
B. Design and Implementation of Monitoring and Certification Program			
Perform supplemental monitoring	To be Initiated	Sep. 30, 2004	
Conduct Skills Gap Analysis	To be Initiated	Aug. 15, 2002	
Review Existing Practices vs. Industry Best Practices	To be Initiated	Sep. 15, 2002	
Develop Monitoring and Lab Certification Program	To be Initiated	Nov. 15, 2002	
Evaluate Individual Employee Training Requirements	To be Initiated	Nov. 15, 2002	
Acquire Necessary Equipment	To be Initiated	Dec. 31, 2002	
Train or Retain Personnel Qualified in Proper Laboratory Practices	To be Initiated	Sep. 30, 2003	
Test GWA Lab Against Independent Labs	To be Initiated	Dec. 31, 2003	
C. Program Evaluation			
Develop Laboratory Testing Programs	To be Initiated	Dec. 31, 2003	
Test and Evaluate Employees	To be Initiated	Feb. 28, 2004	
Modify Laboratory Procedures, as necessary	To be Initiated	Mar. 31, 2004	

Guam Waterworks Authority

Compliance Schedule Reporting

Period Ending: January 31, 2002

USEPA Docket CWA-402-9-01-19

Project Number 15—Comments on Milestones and Expenditures

GWA Comments:

A - Unable to meet milestone deadline due to failure to secure short-term loan (ref: Comments on Financial Plan Milestones).

Approved for Submittal:

GWA Compliance Coordinator

GUAM WATERWORKS AUTHORITY
Aturidat Kinalamten Hanom Guahan
GOVERNMENT OF GUAM
Post Office Box 3010, Hagatna, Guam 96932
Phone: (671) 479-7823 Fax: (671) 479-7879

AUG 08 2002

The Honorable Joanne M. Salas Brown
Chairperson, Committee on Natural Resources
Suite 200 130 Aspinall Avenue
Hagåtña, Guam 96910

Dear Senator Brown:

Enclosed please find revisions to the Guam Waterworks Authority budget as submitted on May 1, 2002. As indicated in my transmittal letter changes were anticipated. Specifically, enclosed is a summary of the budget, revenue projections, staffing patterns, and capital expenditures.

The revisions include changes to revenue projections reflecting the moratorium on the surcharge and new accounting requirements. The operations and maintenance, and the capital expense budgets enclosed reflect the very basic needs of the Authority to maintain day-to-day operations and preventive maintenance for our water and wastewater systems. Although expenses listed in the capital budget are identified for matching grant requirements, they do not include major capital improvement projects.

Additionally, you will note the change in format of this revised budget. I am submitting a consolidated budget for the different divisions only. The general object categories as required of any budget are provided. However, the level of detail submitted previously for budget purposes has proven to be a hindrance in maximizing resources. GWA maintains specific details for the purpose of cost of services and accounting methods required as a certified member of the American Waterworks Association. GWA's financial staff will maintain the level of detail required.

Issues relative to the Order on Consent by the U.S. Environmental Protection Agency are enumerated in detail in a separate document enclosed including possible funding sources. Please note the sensitive timelines associated with this Order. At this time, GWA has not been able to secure a loan as required by public law. Appropriate language may be necessary to allow us to continue to seek loan proceeds. There was only one respondent to the Request for Proposals issued by the Guam Economic Development Authority to secure a line of credit as planned. However, the single respondent had requirements outside the scope of the RFP. Efforts are ongoing to issue the RFP a second time.

Lastly, GWA is in the process of finalizing a list of necessary Capital Improvement Projects that will be submitted in order of priority and possible funding sources available as these are justified to upgrade and improve our water system.

Thank you for your attention.

Sincerely,

GIL A. SHINOHARA
General Manager, Acting

BEFORE THE PUBLIC UTILITIES COMMISSION
OF GUAM

GUAM WATERWORKS AUTHORITY-)
EPA FINANCIAL PLAN)

DOCKET 02-02

ORDER

This Order responds to the United States Environmental Protection Agency's [EPA] February 25, 2002 letter [the "EPA Letter"] regarding Guam Waterworks Authority's [GWA] financial plan and compliance schedule.

In August 2001 EPA, GWA and Governor Carl Gutierrez executed a consent order in which GWA agreed during the next five years to bring its wastewater treatment facilities into compliance with Federal law and permitting requirements. The Consent Order required GWA to submit for EPA approval a financial plan with compliance schedule [the "Financial Plan"] under which such work would occur. The Financial Plan, which calls for GWA to undertake $90 million dollars in capital and operational expenditures, was submitted for EPA approval on January 31, 2002. The EPA Letter approves the plan, provided that the Commission and the Guam Legislature commit to provide the authorizations, approvals and rate relief, which are reasonably necessary to enable GWA to timely discharge its duties under the Financial Plan. The EPA Letter requires that these commitments be provided to EPA not later than March 30, 2002.

After discussion with its consultants and its administrative law judge [ALJ] and for good cause shown, the Commission at a duly noticed and convened meeting and upon motion, seconded and carried by vote of the undersigned, hereby **ORDERS THAT:**

1. The Commission shall, in a timely manner, order such rate relief and grant such regulatory approval as may be required by GWA to enable it to comply with the Financial Plan in a prudent and reasonable manner. In making this commitment, the Commission finds that the Consent Order constitutes a lawful GWA obligation, which under 12 GCA 12004 the Commission is required to fund, if necessary, through rates.

2. Given the substantial impact, which the Financial Plan could have on GWA ratepayers, the Commission hereby asserts its audit powers under P.L. 25-05:12, as the jurisdictional basis for overseeing GWA's implementation of the Financial Plan and of the recommendations of the Commission's revenue cycle audit, as approved in December 2001. The Commission finds that implementation of the audit recommendations, which will be funded through the Financial Plan, is crucial to GWA's ability to execute its duties under the Financial Plan. ALJ is authorized and directed to establish the protocol under which this Commission oversight shall occur.

3. Subject to legislative approval, GWA is hereby authorized to borrow not to exceed $21.2 million dollars in short-term debt for the purpose of funding the Financial Plan related projects identified in Attachment A to this Order. The terms and conditions as well as the uses and commitment of such funds shall require **prior** Commission review and approval. ALJ is authorized and directed to establish the regulatory process by which this review shall occur. The Commission shall provide such regulatory assurances as may be reasonably necessary to induce lenders to extend GWA this short term debt.

4. The Commission finds that an operational and "best practices" personnel audit of GWA would meaningfully enhance GWA's ability to execute the Financial Plan. The Commission further finds that the audit expense would be significantly exceeded by savings and revenue enhancements resulting from implementing audit recommendations. In the event the Legislature approves, as part of its short-term debt authorization, funding for the Commission to undertake this audit, ALJ is authorized and directed to recommend the procurement process by which the Commission will undertake this audit.

5. The Commission is a creature of statute and, therefore, cautions EPA that the Commission's ability to meet the commitments contained herein is expressly contingent upon a reciprocal commitment from the government of Guam that it will not take any action to limit or otherwise compromise the Commission's regulatory authority over GWA, as asserted herein.

Dated this 14th day of March 2002.

Terrence M. Brooks

Joseph M. McDonald

Filomena M. Cantoria

Edward C. Crisostomo

Gerald M. Woo

GWA—DESCRIPTION OF PROJECTS AND ACTIVITIES TO BE FUNDED BY SHORT-TERM DEBT INCLUDED IN THE FINANCIAL PLAN SUBMITTED TO USEPA ($1000s)

Uses of Funds:	FY 2002	FY 2003
Agana Wastewater Treatment Plant (WTP) Ocean Outfall	$ 1400	$ 3000
Northern WTP) Ocean Outfall	$ 1400	$ 2900
Comprehensive Performance Evaluation for all WTPs	$ 182	$ 300
Assessment of Pump Stations and Collection System	$ 100	$ 500
Engineering Design	$ 210	$ 443
Construction Management	$ 115	$ 250
Consent Order-Additional Operational Expenses	$ 150	$ 1220
PMC for all of GWA WTPs		$ 500
PMC for GWA Back Office Operations		$ 500
Regulatory Management-Oversight of GWA compliance and selection of Performance Management Contractor (PMC) for treatment operations	$ 135	$ 158
Program administration-Oversight of Revenue Audit Implementation	$ 105	$ 119
Annual system renewals & replacements-Water and Wastewater	$ 6000	$ 6000
Meter Management Program-Capital Requirements		$ 1500
Other EPA Funded Projects	$ 2200	$ 4200
Revenue Enhancement Program-Planning and Selection of BOT Contractor for Meter Management and Sewer Connection Programs	$ 150	$ 25
Operational Audit and Best Practices/Skills Assessment	$ 275	$ 1025
Total Uses of Funds	$ 12,422	$ 22,640
Sources of Funds:		
EPA Grants—Committed and Anticipated	$ 2200	$ 5649
Bond Refinancing	$ 6000	
Subtotal-Sources of Funds	$ 8200	$ 5649
Debt Financing Required-Short Term	$ 4222	$ 16,991
Cumulative Debt Financing Required-Short Term	$ 4222	$ 21,213

ATTACHMENT "A"

GUAM WATERWORKS AUTHORITY
Government of Guam

ROUTING SLIP NO. 8|8-3

[A] PREPARE REPLY FOR GM
BY: _____
[B] SEE GM
[C] PROVIDE COMMENTS
SUBMIT BY: _____
[D] HANDLE COORDINATION

[E] TAKE ACTION - PROVIDE FEEDBACK
BY: _____
[F] FOR YOUR INFORMATION
[G] CIRCULATE
[H] PROVIDE INFO/SUPPORT TO
[D]

	DIVISION / SECTION			DIVISION / SECTION	
	GENERAL MANAGER			**ASSISTANT GM ADMINISTRATION**	B
1	QUALITY ASSURANCE	F	9	PUBLIC INFORMATION OFFICER	
2	MANAGEMENT SUPPORT		10	HUMAN RESOURCES DIV	
3	PLANNING		11	PROCUREMENT & SUPPLY	
4	BOARD SECRETARY		12	CUSTOMER SERVICE	
			13	DATA	
	CONTROLLER	F		**ASSISTANT GM OPERATIONS**	
5	ASST. TO THE CONTROLLER		14	ADMINISTRATIVE OFFICER	
6	ACCOUNTING		15	WATER	F
7	REVENUE PROTECTION		16	WASTEWATER	F
8	PAYROLL		17	FMES	
			18	ENGINEERING	F
			19	LABORATORY	F

GENERAL MANAGER'S COMMENTS: _____

GIL A. SHINOHARA
Acting General Manager

AUG 08 2002
DATE

GUAM
ECONOMIC DEVELOPMENT AUTHORITY
ATURIDAD INADILANTON IKUNUMIHA GUAHAN
An Autonomous Agency of the Government of Guam

FACSIMILE TRANSMISSION

Date:	August 8, 2002		
To:	Gil Shinohara General Manager, Acting Guam Waterworks Authority	From:	Ed Untalan Administrator Guam Economic Development Authority
Fax No.	479-7879	Fax No.	(671)649-4146
Telephone:	479-7676	Telephone	(671)647-4303
RE:	GWA Financing Update	No. of Pages	21 (including cover page)

This message is intended solely for the person or entity to which it is addressed and may contain confidential and/or privileged information. Any review, dissemination, copying, printing or other use of this fax message by persons or entities other than the addressee is prohibited. If you have received this facsimile in error, please contact the sender immediately and destroy the material.

Please see attached.

Regards,

/s/ Ed Untalan

Aturidad Inadilanton GUAM ECONOMIC DEVELOPMENT AUTHORITY Ikunumihan Guahan

Governor
Carl T.C. Gutierrez

Lieutenant Gov
Madeleine Z. Bo

August 8, 2002

Mr. Gil Shinohara
General Manager, Acting
Guam Waterworks Authority
126 Lower East Sunset Blvd. Tiyan
P.O. Box 3010
Hagatna, Guam 96932

Hafa Adai Gil:

I am writing to you with a status update on the $21,200,000.00 Short Term financing for the Guam Waterworks Authority (GWA) authorized under P.L. 26-78. The following represents a summary of the events that the Guam Economic Development Authority (GEDA) has been involved in to date:

February 25, 2002
GEDA issues Solicitation of Interest letters to all local banks in an effort to gauge their interest in providing $20 to $25 Million Dollars of financing in order to begin efforts to comply with U.S. EPA's Consent Order Docket CWA-402-9-01-19. Of the six banks contacted, only four responded (see attachment) each declining interest in providing financial assistance to GWA. When asked about the reasons for declining, we had been informed that the lack of a secure revenue source was the reason.

April 29, 2002
GEDA issues RFP No. 02-005 referencing P.L. 26-78 which authorized GWA to incur short term debt in an amount not to exceed $21,200,000.00. The RFP is both faxed and hand delivered to all local banks. Additionally, our Financial Advisors sought interest from off-island banks, primarily in the New York financial district.

May 10, 2002 to present
GEDA closes RFP No. 02-005 and only one bank, the Bank of Guam, responds. GEDA's Board of Directors then approves of the formation of a negotiating team tasked with the negotiations of the GWA financing as well as $40 Million Dollars loan request under RFP No. 02-007. The Bank of Guam suggests and the Government's negotiating team agree to discussing RFP No. 02-007 first, then moving on to GWA's financing under RFP No. 02-005. Interest rate and maturity dates are agreed to, however the Bank requires a legislative amendment specifically pledging Section 30 funds as the repayment source for the $40 Million Dollar loan. GEDA informs the Bank that GEDA's Counsel, Legislative Counsel (Attorney Terlaje) and the AG's Office feel that the existing language is sufficient. Financing discussions cease due to the impasse. GEDA has no alternative other that to terminate negotiations with the Bank of Guam and work towards issuing a new RFP.

Similarly, the Bank of Guam is informed that their requirement for a pledge of Section 30 funds to secure GWA's financing is outside of the authorization contained in P.L. 26-78. Thus, the Bank is also informed that GEDA will cease negotiations and issue a new RFP.

Please be advised that to be able to pursue any financing for the GWA, the government will need to either: 1) pledge a revenue source other than what GWA has to offer; or 2) provide for a specific surcharge to repay the debt. As you are aware, a direct surcharge implemented by the Public Utility Commission designed specifically for the repayment of the loan was authorized in P.L. 26-78. However, the subsequent passage of P.L. 26-81, placing a one year moratorium on, "any rate increase, or new or increased surcharge billed by GWA for services it provides to its customers" eliminated this revenue stream.

Ada Plaza Center • Suite 314 • 590 South Marine Drive • Tamuning, Guam 96911 • (671) 647-4332 • Fax (671) 649-4146 • E-mail: info@...

In closing, in order for GEDA to obtain the most efficient and effective financing for the GWA, legislation will be required to either: 1) pledge a revenue source other than what GWA has to offer (i.e., Section 30); or 2) provide for a specific surcharge to repay the debt. Additionally, we would recommend that the legislation allow GEDA to pursue financing through all possible means, including but not limited to obtaining bond financing. This will ensure that we secure the most economic financing terms available to GWA. We are prepared to assist in the drafting the legislation.

I do hope this memorandum has provided you with an adequate brief. Should you have any questions, please do not hesitate to contact either myself, Mr. Joey Cepeda, or Mr. Lester Carlson at 647-4303.

Sincerely,

Ed U[illegible]lan
Administrator

cc: Governor Carl Gutierrez
GEDA Board Members
GWA Board Members
FSD Division

attachments

File

Delivered
3/21

Aturidad Inadilanton GUAM ECONOMIC DEVELOPMENT AUTHORITY Ikunumihan Guahan

Governor
Carl T.C. Gutierrez

Lieutenant Governor
Madeleine Z. Bordallo

March 21, 2002

Mr. Herbert Johnston
General Manager
Guam Waterworks Authority
126 Lower East Sunset Blvd.
Tiyan, Guam

Hafa Adai Bert:

The Guam Economic Development Authority (GEDA), in pursuit of furthering the development of the Financial Plan as mandated by U.S. EPA under Consent Order Docket CWA-402-9-01-19, issued Solicitation of Interest requests to local banks in order to gauge their interest in providing short term or bridge financing to the Government of Guam.

The following banks were contacted:

Bank of Guam
Bank Pacific
Hong Kong Shanghai Banking Corporation
First Hawaiian Bank
Citibank
Bank of Hawaii

I regret to inform you that four banks contacted us either verbally or in writing declining interest in providing financial assistance at this time. The other two (Bank Pacific and Citibank) did not respond to either the solicitation letter or to follow up phone calls. Unfortunately, I am confident that this lack of interest would apply to off island institutions as well.

I would recommend that serious consideration to a rate increase to fund these much needed improvements to our waste water facilities be explored as soon as possible in order to maintain the time lines contained in the Financial Plan.

Tamuning, Guam 96911 • (671)647-4332 • Fax (671)649-4146 • E-mail: help@geda.guam.net

I am available should you have any questions or concerns regarding this, or any other matter in which GEDA can be of assistance to you and GWA. Thank you.

Sincerely,

Lester L. Carlson, Jr.
Financial Services Manager

cc: Ed Untalan, GEDA Administrator
Terry Brooks, PUC Chairman
Attorney Bill Blair

First Hawaiian Bank
Maite Banking Center
400 Route 8
Mongmong, Guam 96910

RECEIVED
MAR 06 2002
GEDA

Laura-Lynn Dacanay
Vice President & Manager
Maite Banking Center

March 4, 2002

Mr. Lester L. Carlson, Jr.
GEDA Financial Services Division Manager
ITC Building Suite 511
590 South Marine Drive
Tamuning, Guam 96911

Re: Guam Waterworks Authority Request for Short and Long Term Financing
Bridge Financing $20 to $25 million

Dear Lester Carlson, Jr.;

Your letter addressed to Mr. John K. Lee, Senior VP and Regional Supervisor for Guam and CNMI Branches dated February 25, 2002 has been referred to me for response.

First Hawaiian Bank is not interested at this time in pursuing financing for Guam Waterworks Authority.

Please be assured that we appreciate very much the opportunity to review various financing proposals.

If you have any questions, please call me at 475 7885.

Sincerely;

Laura Dacanay
Vice President and Manager
Maite Business Banking Center

Bank of Hawaii



March 18, 2002

Mr. Lester L. Carlson, Jr.
GEDA Financial Services Division Manager
ITC Building, Suite 511
590 South Marine Drive
Tamuning, GU 96911

Subject: Request for Proposal

Dear Mr. Carlson:

Thank you for presenting Bank of Hawaii with the opportunity to submit a proposal for the requested $20 to $25 Million credit facility, for the Guam Waterworks Authority. I regret to inform you, however, that we are not able to accommodate your financing requirement, based on the information submitted. While we are currently unable to provide the requested financing at this time, we would be happy to consider requests that you may have in the future. Please keep Bank of Hawaii informed on the progress made in securing long term capital financing so we may look further into providing GWA with bridge financing.

Mr. Carlson, should you require any additional assistance with respect to your banking needs, please do not hesitate to contact me at 479-3653. Once again, thank you for your consideration of Bank of Hawaii. I look forward to having the opportunity to work with you once again.

Sincerely yours,
BANK OF HAWAII

Galen Nakamura
Vice President
West Pacific Corporate Banking Group

CC: Lester L. Carlson, GEDA

HSBC



GUM BDU 020002

February 27, 2002

Mr Lester L. Carlson, Jr.
GEDA Financial Services Division Manager
ITC Building - Suite 511
590 South Marine Drive
Tamuning, Guam 96911

Dear Mr Carlson

Further to your request of February 25 2002, we have reviewed the information provided and advise that we will not be making a formal proposal to provide credit facilities to the Guam Waterworks Authority at this time.

Regards

Stephen Grantham
Senior Vice President Business Development

The Hongkong and Shanghai Banking Corporation Limited
Post Office Box 27-C, Hagåtña, Guam 96932 U.S.A.
436 South Marine Drive, Tamuning, Guam 96911
Tel: (671) 647-8588 Fax: (671) 646-3767

Incorporated in Hong Kong with limited liability.

Request for Proposals

ISSUED BY: Guam Economic Development Authority	PROPOSAL NO.: RFP-02-005 ISSUE DATE: April 29, 2002
NAME AND LOCATION OF PROJECT: ITC Building, Suite 511 590 South Marine Drive Tamuning, Guam	DIVISION OF AGENCY: Public Finance

INSTRUCTIONS TO PROPOSERS

The Guam Waterworks Authority (GWA), through the Guam Economic Development Authority (GEDA), is requesting proposals from banks or other financial institutions to provide Short-Term Financing to GWA for the purpose of bringing wastewater facilities into compliance with Federal law and permitting requirements. These improvements are specified under the U.S. Environmental Protection Agency's (Region 9) Administrative Order on Consent, Docket Number CWA-402-9-01-19, dated August 16, 2001.

Under Section 3 **of P.L. 26-78,** the GWA is authorized to incur short-term debt in an amount not to exceed Twenty-one Million Two Hundred Thousand Dollars ($21,200,000.00) for the purposes set forth in Attachment "C" of the Financial Plan as attached and a part of **P.L. 26-78.** *More details regarding the anticipated transaction can be found in the "Scope of Services" section of this RFP.*

Per the Guam Code Annotated Title 12, Chapter 50, Section 50103(k), the Guam Economic Development Authority ("GEDA") acts as the central financial manager and consultant for the Government of Guam and those Agencies or Instrumentalities of the Government requiring financial guidance and assistance. Such technical assistance by GEDA shall include, but is not limited to obtaining of funds through bond or other obligations, structuring such bond issuance's, preparation and dissemination of financial and investment information, including bond prospectuses, development of interest among investment bankers and bond brokers, maintenance of relationships with bond rating agencies and brokerage houses and, generally, acting as the centralized and exclusive financial planner and investment banker for all the Agencies and Instrumentality's of the Government of Guam. The Government and agencies and Instrumentalities shall issue bonds and other obligations only by means of and through the agency of GEDA, and each such Agency or Instrumentality shall furnish GEDA with long-term estimated of financial needs so the GEDA can coordinate a long-term plan for obtaining necessary funds for all such Agencies and Instrumentalities on a rational, noncompetitive and efficient basis.

RECEIPT OF PROPOSALS

The deadline for receipt of proposals by Guam Economic Development Authority is no later than **4:00 p.m., Friday, May 10, 2002, Western Pacific Standard Time**. Office hours for receipt of proposal are Monday through Friday, 8:00 a.m. to 5:00 p.m.

Mailing & Delivery Address:
Lester L. Carlson, Jr.
Manager, Financial Services Division
Guam Economic Development Authority
ITC Building, Suite 511
590 South Marine Drive
Tamuning, Guam 96911

Envelopes containing proposals shall be sealed and marked on the face with the name and address of the proposer, the Proposal number and the time and date of submission. An electronic version of the proposal shall also be submitted on floppy or zip disk and included in the sealed envelope along with the hard copy of the proposal. Telegraphic or facsimile proposals will not be considered, nor modification by telegraph or facsimile of proposals already submitted. Proposals shall be hand-carried and received at GEDA on or before the deadline date and time. Proposals received through the mail will not be accepted if such mail is received at the address showing after the submission date and time. Under no circumstances will the Guam Economic Development Authority accept a late proposal.

OPENING OF PROPOSALS

Proposals shall be opened publicly in the presence of the Board of Directors of the Guam Economic Development Authority. Proposals and modifications shall be time-stamped upon receipt and held in a secure place until the established due date. After the date established for receipt of proposals, a Register of Proposals shall be prepared which shall include for all proposals the name of each offeror, the number of modifications received, if any, and a description sufficient to identify the supply, service, or construction item offered. The Register of Proposals shall be opened to public inspection only after award of the contract. Proposals and modifications shall be shown only to territory personnel having a legitimate interest in them.

QUALIFICATIONS

The Guam Economic Development Authority require respondents to present satisfactory evidence that he or she has sufficient experience and is fully qualified.

NON-COLLUSION AFFIDAVIT

Each person submitting a proposal for any portion of the work covered by the proposing documents shall execute an affidavit, in the form provided with the Proposal, to the effect that he has not colluded with any other person, firm or corporation in regard to any proposal submitted. Such affidavit shall be attached to the proposal.

AMENDMENTS TO REQUEST FOR PROPOSAL

The right is reserved as the interest of the Guam Economic Development Authority may require revising or amending the specifications prior to the date set for opening proposals. Such revisions and amendments, if any, will be announced by an amendment or amendments to this Request for Proposals and shall be identified as such and shall require that firms acknowledge receipt of all amendments issued. The amendment shall refer to the portions of the Request for Proposal it amends. Amendments shall be sent to all prospective known to have received a Request for Proposal. Amendments shall be distributed within a reasonable time to allow prospective firm to consider in preparing their Proposals. If the time and date set for receipt of proposals will not permit such preparation. Such time shall be increased to the extent possible in the amendment or, if necessary, by telegram or telephone and confirmed in the amendment.

GENERAL TERMS AND CONDITIONS OF THE REQUEST FOR PROPOSAL

AUTHORITY

This Request for Proposal (RFP) solicitation is issued subject to all the provisions of the Guam Procurement Act (Public Law 16-124) and the Guam Procurement Regulations (copies are available for inspection at General Services agency). The RFP requires all parties involved in the preparation, negotiation, performance, or administration of contracts to act in good faith

EXPLANATION TO OFFERORS

No oral explanation in regard to the meaning of the specification will be made and no oral instructions will be given before the award of the proposal. Discrepancies, omissions, or doubts as to the meaning of the specification should be communicated in writing to the named contact individual of the requesting agency/department for interpretation. Offerors should act promptly and allow sufficient time for a reply to reach them before the submission of their proposals. Interpretation, if required, shall be made in the form of an amendment to the specification that will be forwarded to all prospective offerors and its receipt by the offeror should be acknowledged on the proposal form.

QUESTIONS

All questions regarding the proposal should be directed to the following:

Joey B. Cepeda
Deputy Administrator
GEDA
Tel: (671) 647-4303
Fax: (671) 649-4146
Email: jcepeda@guameda.net

Lester L. Carlson Jr.
Financial Services Manager
GEDA
(671) 647-4322
(671) 649-4146
lcarlson@guameda.net

Except to the above person named, direct or indirect contact with GEDA or the Government of Guam, GEDA Board Members, or any person participating in the selection process is prohibited.

METHOD OF AWARD

The Guam Economic Development Authority intends to review the Request for Proposals upon receipt. The proposal submitted will be the primary document for evaluation.

The Guam Economic Development Authority reserves the right to select or reject any and all proposals submitted to waive any formal proposal requirements, to investigate the qualification and experience of any proposer, to reject any provisions in any proposal, to obtain new proposals, to negotiate the requested services and contract terms with any proposer, or to proceed to fulfill the proposal otherwise.

The Guam Economic Development Authority is not responsible for any costs incurred by the proposers. GEDA reserves the right to retain all proposals and information submitted regardless of whether a firm is selected. Submission of a proposal indicates acceptance of these terms and conditions by the proposer.

REJECTION

The Guam Economic Development Authority shall have the prerogative to reject proposals in whole or in part for if a determination is made such in the public interest.

TAXES

Offerors are cautioned that they *may* be subject to Guam Business Privilege Taxes, including 4% Gross Receipt Tax and Guam Income Taxes on Guam Transactions. Specific information of taxes may be obtained from the Director of Revenue and Taxation.

LICENSING

Offerors are cautioned that they *may* be subject to Guam Licensing laws. Specific information on licenses may be obtained from the Director of Revenue and Taxation.

COVENANT AGAINST CONTINGENT FEES

The offeror warrants that they have not employed any person to solicit or secure any resultant contract upon agreement for a commission, percentage, brokerage, or contingent fee. Breach of this warranty shall give the Guam Economic Development Authority the right to terminate the contractor, or in its discretion to deduct from the contract price or consideration the amount of such commission, percentage, brokerage, or contingent fees. This warranty shall not apply to commission payable by contractors upon contracts or sales secure or made through bona fide established commercial or selling agencies maintained by the contractors for the propose of securing business.

JUSTIFICATION OF DELAY

The offeror who is awarded the proposal guarantees that the service will be completed within the agreed upon completion date. If, however, the vendor cannot comply with the completion requirement, it is the vendor's responsibility to advise the Guam Economic Development Authority in writing explaining the cause and reasons of the delay.

DISCLOSURE OF MAJOR SHAREHOLDERS

As a condition of proposer, any partnership, sole proprietorship or corporation doing business with the Guam Economic Development Authority shall submit an affidavit executed under oath that list the name address of any person who has held more than ten percent (10%) of the outstanding interest or shares in said partnership, sole proprietorship or corporation at any time during the twelve (12) month period immediately preceding submission of a bid. The affidavit shall contain the number of shares or the percentage of all assets of such partnership, sole proprietorship or corporation, which have held by each such person during the twelve (12) month period. In addition, the affidavit shall contain the name and address of any person who has received or is entitle to receive a commission, gratuity or other compensation for procuring or assisting in obtaining business related to the proposal for the proposer and shall also contain the amounts of any such commission, gratuity or other compensation. The affidavit shall be open and available to the public inspection and copying.

EQUAL EMPLOYMENT OPPORTUNITY

Section 3.01(1) of Presidential Executive Order No. 10935 dated March 7, 1965, requires the offeror not to discriminate against any employee or applicant for employment because of race, creed, color or national origin. The offeror will take affirmative action to insure that applicants are employed and that employees are treated equally during employment without regard to their race, creed, color or national origin.

ASSIGNMENT

Assignment will not be accepted without prior approval from the Guam Economic Development Authority. Request for approval of assignment must be made with submission of proposal. No assignment will be accepted if request is not made with the proposal.

DETERMINATION OF RESPONSIBILITY OF OFFERORS

GEDA reserves the right for securing from the Offeror information necessary to determine whether or not they are responsible and to determine the responsibility in accordance with "Standard for Determination of the Most Qualified Offeror" section of the General Terms and Conditions.

STANDARD FOR DETERMINATION OF MOST QUALIFIED OFFEROR

In determining the most qualified proposer, GEDA shall be guided by the following:

A. The ability, capacity, and skill of the offeror to perform.

B. Whether the offeror can perform promptly or within the specified time.

C. The character, integrity, reputation, judgment experience, and efficiency of the offeror.

D. The quality of performance of the offeror with regards to awards previously made to him.

E. The previous and existing compliance by the offeror with laws and regulations relative to procurement.

F. The sufficiency of the financial resources and ability of the offeror to perform.

G. Can the offeror meet the specifications of the request for proposal (RFP).

H. If requested, the offeror must meet all ADA regulations and requirements.

I. The number and scope of the conditions attached to the Proposal.

PRE-PROPOSAL CONFERENCES

Pre-proposal conferences will be permitted anytime prior to the date established herein for submission of proposals. The conferences will be conducted only to explain the procurement requirements for this Request for Proposal. The Authority will notify all offerors of any substantive clarification provided in response to any inquiry. The Authority will extend the due date if such information significantly amends the solicitation or makes compliance with the original proposed due date impractical.

PROPOSALS

The proposer is required to read each and every page of the Proposal and by the act of submitting a proposal shall be deemed to have accepted all conditions contained therein except as noted elsewhere. In no case will failure to inspect constitute grounds for a claim or for the withdrawal of a proposal after opening. Proposals shall be filled out in ink or typewritten and signed in ink. Erasures or other changes in a proposal must be explained or noted over the signature of the proposer. Proposals containing any conditions, omissions, unexplained erasures or alterations or items not called for in the Proposal, or irregularities of any kind may be rejected by GEDA as being non-complying.

GENERAL INTENTION

It is the declared and acknowledged intention and meaning that the proposer provides GEDA with materials, supplies, or equipment completely assembled, and ready for use.

COMPETENCY OF PROPOSERS

Proposal will be considered only from such proposers who, in the opinion of GEDA, can show evidence of their agility, experience, equipment, and facilities to render satisfactory service.

REQUEST FOR PROPOSAL FORMS

Each proposer shall be provided with one (1) set of the request for proposal (RFP). Additional copies may be provided upon request at a charge of $25.00 per RFP. All payments shall be by cash, certified check or money order and shall be made payable to the Guam Economic Development Authority.

PROPOSAL ENVELOPE

Proposal envelope shall be sealed and marked with the proposer's name and Request for Proposal Number, time of Proposal opening, Date of Proposal opening and Place of Proposal opening.

FORM OF PROPOSAL

All Proposals must be submitted in writing. It should include a listing of current and former business clients and a description of the type of work performed or being performed. At a minimum, if the proposer is an individual, the proposal should include a complete resume of the individual. If the proposer is a firm, the proposal should include a resume of the firm's principal(s). An electronic version of the proposal shall also be submitted on floppy or zip disk and included in the sealed envelope along with the hard copy of the proposal.

MODIFICATION / ALTERATION

After the receipt and opening of proposals and at its option, GEDA may conduct discussions with responsible proposers who have submitted proposals reasonably susceptible of being selected for awards with the purpose of clarification to assure full understanding and responsiveness to the solicitation requirement. Proposers shall be accorded fair and equal treatment with respect to any opportunity for discussion and revision to proposals and such revisions shall be permitted after submission and prior to award for the purpose of obtaining best and final offers. However, please bear in mind that proposals should be submitted initially on your most favorable terms. In conducting discussions there shall be no disclosure of any information derived from proposals submitted by competing proposers.

MODIFICATION OR WITHDRAWAL OF PROPOSALS

Proposals may be modified or withdrawn at any time prior to the conclusion of discussions.

SELECTION OF BEST QUALIFIED OFFERORS

After conclusion of validation of qualifications, evaluation, and discussion as provided in the section "Modification/Alteration", GEDA will select in the order of their respective qualification and evaluation ranking, no fewer than three acceptable proposals (or such lesser number if less than three acceptable proposals were received) deemed to be the best qualified to provide the required services.

EVALUATION CRITERIA FOR SELECTION

After receipt of all proposals, a selection team will be convened to select the most responsive and qualified proposers. It is common for the team to select two or more of the best proposals and conduct further review, which may include interviews, this is commonly known as "short listing". The evaluation factors and the maximum awarded points for each are as follows:

1) **Completeness of Proposal** **(10 point)**

2) **Experience in short term financing and/or government financing** **(30 points)**

3) **Proposed financing terms (maturities, interest rates, and debt service schedule)** **(35 points)**

4) **Proposed Fee Schedule** **(25 points)**

Maximum Total **(100 points)**

GEDA shall have the right to reject all proposals or offers which have been submitted in response to this RFP, at any time, if GEDA determines such to be in the best interest of the Government of Guam for any reason allowed by law and/or regulation or for any reason whatsoever.

CONTACT FOR CONTRACT NEGOTIATION

If your firm is selected the best qualified to perform the services as described herein, please designate a person whom we may contact for prompt negotiation.

NAME:_____ TITLE:_____

ADDRESS:_____ TELEPHONE:_____

SUBMISSION OF FEE (S)

All proposers shall submit their fees at the time of submission of their proposal.

NEGOTIATION AND AWARD OF CONTRACT

GEDA shall negotiate a contract with the best-qualified offeror for the required services at compensation determined in writing to be fair and reasonable. Contract negotiations will be directed toward: (1) making certain that the offeror has a clear understanding of the scope of work, specifically, the essential requirements involved in providing the required services; (2) determining that the offeror will make available the necessary personnel and facilities to perform the services within the required time; and (3) agreeing upon compensation which is fair and reasonable, taking into account the estimated value of the required services, and the scope, complexity, and nature of such services.

SUCCESSFUL NEGOTIATION OF CONTRACT WITH BEST-QUALIFIED OFFEROR

If compensation, contract requirements, and contract documents can be agreed upon with the best-qualified offeror, the contract will be awarded to that offeror.

FAILURE TO NEGOTIATE CONTRACT WITH BEST-QUALIFIED OFFEROR

If compensation, contract requirements, or contract documents cannot be agreed upon with the best qualified offeror, a written record stating the reasons therefore shall be placed in the file and GEDA will advise such offeror of the termination of negotiations which shall be confirmed by written notice within three days. Upon failure to negotiate a contract with the best-qualified offeror, GEDA will enter into negotiations with the next most qualified offeror. If negotiations again fail, negotiations will be terminated as provided in this Section and commence with the next qualified offeror.

NOTICE OF AWARD

GEDA will notify al proposers within thirty (30) days after the deadline for receipt of proposals. Written notice of award will be public information and made a part of the contract file.

FAILURE TO NEGOTIATE CONTRACT WITH OFFERORS INITIALLY SELECTED AS BEST QUALIFIED

Should GEDA be unable to negotiate a contract with any of the offerors initially selected as the best qualified offerors, offers may be resolicited or additional offerors may be selected based on original, acceptable submissions in the order of their respective qualification ranking and negotiations may continue in accordance with the procedures and process herein specified.

EDWARD G. UNTALAN
ADMINISTRATOR

FORM OF NON-COLLUSION AFFIDAVIT

AFFIDAVIT
(Prime Proposer)
TERRITORY OF GUAM)
) SS.
AGANA, GUAM)

_____, being first duly sworn

That he is _____
(a Partner or Officer of the Firm of, etc.)

the party making the foregoing proposal or bid, that such proposal or bid is genuine and not collusive or sham, that said bidder has not colluded, conspired, connived or agreed, directly or indirectly, with any bidder or person, to put in a sham or to refrain from bidding, and has not in any manner, directly or indirectly, sought by agreement or collusion, or communication or conference, with any person, to fix the bid price of affiant or any other bidder, or to fix any overhead, profit or cost element of said bid price, or of that of any other bidder, or to secure any advantage against the Guam Economic Development Authority or any person interested in the proposed contract; and that all statements in said proposal or bid are true.

_____
Signature of

Proposer, if an individual;
Partner, if a partnership;
Officer, if a corporation.

Subscribed and sworn to before me

this _____day of _____, 20____,

_____
Notary Public

My Commission expires _____, 20____.

GENERAL INSTRUCTIONS:

1. Non-responsive proposals will not be considered.

2. Submit Six (6) (One (1) original and Five (5) copies) sealed proposals along with a detail statement of any exception taken to any part of request. An electronic version of the proposal shall also be submitted on floppy or zip disk and included in the sealed envelope along with the hard copy of the proposal.

3. Proposal shall include three (3) current business references.

4. Proposal must be delivered on or before the due date.

SCOPE OF SERVICES AND PROPOSAL CONTENT

The Guam Waterworks Authority (GWA), through the Guam Economic Development Authority (GEDA), is requesting proposals from banks or other financial institutions to provide Short-Term Financing to GWA for the purpose of bringing wastewater facilities into compliance with Federal law and permitting requirements. These improvements are specified under the U.S. Environmental Protection Agency's (Region 9) Administrative Order on Consent, Docket Number CWA-402-9-01-19, dated August 16, 2001.

BANK OF GUAM
THE PEOPLE'S BANK
Headquarters • P.O. Box BW • Hagåtña, Guam 96932
Member of the Federal Deposit Insurance Corp.
Tel: (671) 472-5300

ATTACHMENT #1

FINANCING PROPOSAL
Request for Proposal 02-005
Bank or Financial Institutions Services to Provide Short Term Financing to Guam Waterworks

AMOUNT:	$21,200,000 - Firm Commitment for up to $5,000,000 and $16,200,000 to be placed on a "best efforts" basis
FACILITY:	Revolving Line of Credit
BORROWER:	Guam Waterworks Authority and the Government of Guam
TERM:	Three Years, Subject to Annual Review for Renewal
DRAWDOWN DEADLINE:	Funds must be drawn down in total not later than 30 days from the execution and acceptance of documents. A fee of ½ of 1% shall be charged on the undisbursed commitment not drawn after the deadline.
COLLATERAL:	1. Pledge on All U.S. Federal Government Section 30 Monies 2. First Security Position in all Guam Waterworks Authority Revenues 3. Restricted Reserve Account in an amount not less than three (3) months' interest on $21.2million credit line, fully drawn 4. Full Faith and Credit of the Government of Guam
RATE:	Bank of Guam Reference Rate, Floating, No Minimum. The rate is to be adjusted on the first day of the month following any activity in the Reference Rate.
FEE:	1.5% fee, payable on acceptance of commitment

TERMS AND CONDITIONS:

1. Legislative Approval to incur up to $71million in Long Term Debt with the condition of paying off subject Short Term Debt in the amount of $21.2million
2. Letter from the Department of Revenue and Taxation stating that this transaction is free from all local taxes

3. Attorney General and Bank of Guam Legal Opinion regarding affirming Pledge of U.S. Federal Government Section 30 Priority during Bankruptcy
4. Opinion from Guam Waterworks Authority Counsel and the Attorney General stating that this Loan is legal and binding.
5. All inactive Government of Guam Depository and Operating Accounts to be reactivated

EXPIRATION DATE OF PROPOSAL: June 1, 2002. If no acceptance of this proposal is received on or before June 1, 2002, this commitment shall at the option of the Bank be of no further force or effect.

OTHER TERMS AND CONDITIONS:

All documents above must be received in form acceptable to the Bank. All costs relating to this transaction shall be borne by the Borrower. This includes all recording, legal and other fees.

In accordance with our usual customary practice, the Bank shall conduct periodic reviews of this credit facility, and the financial condition of the Borrower. In the event of an adverse change of the Borrower's financial condition, default by the Borrower under any of its obligations that may affect this loan, or should the Bank deem itself insecure, the Bank reserves the right to terminate any further advances under this or any credit facility.

The above terms and conditions are not intended to be exhaustive. This commitment is conditional on the preparation, execution and delivery of legal documentation in form and substance satisfactory to the Bank and its Legal Counsel, which documentation in addition to incorporating substantially the terms set forth above, will include such other terms as are customary for transactions of this type.

This document shall be deemed to be executed and performable in and governed by the substantive laws of the Territory of Guam.

JACQUELINE A. MARATI
Vice President/Corporate Banking Group Manager

ACCEPTED BY:_____ DATE:_____
Authorized Signer

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION IX
75 Hawthorne Street
San Francisco, CA 94105

October 31, 2002

Gil A. Shinohara
Acting General Manager
Guam Waterworks Authority
P.O. Box 3010
Hagatna, Guam 96932

Re: Order on Consent, October 1, 2002 Quarterly Compliance Report

Dear Mr. Shinohara:

We received your Quarterly Compliance Progress Report, Third Quarter 2002, dated October 1, 2002, as required under the Order on Consent, Docket CWA-402-9-01-19. Based on our review of your October 1st Quarterly Compliance Progress Report, the Guam Waterworks Authority (GWA) has not made any apparent progress toward compliance with the Order on Consent since the last quarterly report.

In a letter dated June 12, 2002, EPA described the compliance activities that GWA has failed to implement. Since that time GWA still has not implemented these required compliance activities. GWA has not been able to secure a short-term debt loan authorized by Bill 282 partially due to the passage of Bill 230, which prohibits rate increases for one year. GWA has not retained a program manager to facilitate and oversee implementation of the Financial Plan and Compliance Schedules.

Your Quarterly Compliance Progress Report referenced three bills recently enacted into law. These were the following:

- Bill 373 (P.L. 26-37), "An Act to Grant Emergency Procurement Authority to the Guam Waterworks Authority for the Purchase and Installation of Chlorinators in Guam's Water Well System and for Other Purposes."

- Bill 356 (P.L. 26-151), "An Act to Adopt a Partial Budget for the Guam Waterworks Authority for Fiscal Year 2003."

- Bill 364 (P.L. 26-144), "An Act to add Article 4 to Chapter 14 of Title 12 of the Guam Code Annotated, relative to requiring the Guam Waterworks Authority to out source the maintenance and operation of water wells, booster pump stations, and meters, and for other purposes."

However, it is unclear how enactment of these bills affect the Order on Consent's Financial Plan and Compliance Schedules as committed to by GWA and the Government of

Guam. Bill 356, which only provides GWA with a partial budget for fiscal year 2003, appears to further hinder GWA's ability to secure short-term debt loans in order to implement the Financial Plan and Compliance Schedules.

Bill 356 also requests the Public Utility Commission (PUC) to report to the Guam Legislature on GWA's proposed finanical plan including recommendations, evaluation of rate impact of each funding alternative, and legislation necessary to implement PUC's recommendations under the proposed plan. However, it is our understanding that the approved Financial Plan already laid out recommended actions, rate increases and what legislation was necessary to implement the Financial Plan. Bill 356 seems to indicate that the Financial Plan is only proposed. This would be a regression from previous commitment to the approved Financial Plan by GWA, the Guam Legislature, and the Governor under the Order on Consent.

The Quarterly Compliance Progress Report does not explain how Bill 364 fits in with the Financial Plan and does not identify the revenue source to support this bill and make it viable. The first bill is not even relevant to GWA's compliance with the Order on Consent. Bill 373 addresses water system deficiencies, which are important given the recent water distribution system problems, however, the Order on Consent focuses on GWA's wastewater systems.

We remain seriously concerned with GWA's and the Government of Guam's ability and capacity to implement the Financial Plan and Compliance Schedules as agreed upon in the Order on Consent. Since the submittal of your Second Quarterly Compliance Progress Report, GWA has continued to move further out of compliance with the Financial Plan and Compliance Schedules. In addition, GWA has failed to correct the underlying deficiencies in GWA's wastewater system that gave rise to the Order on Consent. Under these circumstances, EPA has the authority to take enforcement action to address both GWA's failure to comply with the Order on Consent and to comply with its NPDES permits.

Please provide a written response to this letter by December 15, 2002. Given the current serious non-compliance, please describe GWA's and the Government of Guam's immediate and short-term plans to bring GWA into compliance with the Financial Plan and the Compliance Schedules.

If you have any questions regarding this matter, please contact me at 415-972-3774, or Mike Lee at 415-972-3769 (lee.michael@epa.gov) or Ben Machol at 415-972-3769 (machol.ben@epa.gov).

Sincerely,

John McCarroll
Manager
Pacific Islands Office

cc: C. Taitano, AGMA, GWA
Senator A. Unpingco, Speaker, Guam Legislature
Senator J. Brown, Chairperson, Committee on Natural Resources
T. Brooks, Chairman, Guam PUC
L. Gawlik, Georgetown Consulting Group
J. Salas, Admin., GEPA
C. Lund, Water Div. Dir., GEPA

GUAM WATERWORKS AUTHORITY
Aturidat Kinalamten Hanon Guahan
Government of Guam
P.O. Box 3010, Agana, Guam 96932
Phone: (671) 479-7823 • Fax: (671) 479-7879

MAY 09 2002

John McCarroll
Manager, Pacific Islands Office
USEPA Region 9
75 Hawthorne St.
San Francisco, CA 94105-3901

Subject: Implementation of BOT Legislation

Dear Mr. McCarroll:

For your information, enclosed is a copy of the Public Utilities Commission Decision and Order, Docket 00-01 and 01-08. Your attention is invited to the last page of the document, item 5 regarding the implementation of the BOT legislation.

Sincerely,

GIL A. SHINONARA
General Manager

Attachment

cc: Michael Lee, USEPA

RECEIVED
SEP 13 2001
PUC

BEFORE THE PUBLIC UTILITIES COMMISSION OF GUAM

GUAM WATERWORKS AUTHORITY RATE APPLICATION	)	**DOCKET 00-01**
GUAM WATERWORKS AUTHORITY COLLECTION POLICY	)	**DOCKET 01-08**

Decision and Order

This Decision and Order addresses the following regulatory matters regarding Guam Waterworks Authority [GWA], which have been considered by the Commission during the September 2001 regulatory session:[1]

1. Establishment of a regulatory surcharge to enable GWA to retire its obligations to Guam Power Authority and Guam Telephone Authority.

2. Establishment of permanent lifeline rates for GWA water and wastewater services to residential customers.

3. Georgetown's recommendation that the Commission undertake a focused management audit of GWA's revenue cycle.

4. Establishment of a regulatory protocol under which the Commission would oversee:

   a. GWA's expeditious implementation of the BOT legislation;

   b. GWA's preparation of the financial plan mandated by United States Environmental Protection Agency's August 6,

[1] At Georgetown's recommendation and given the substantial list of GWA regulatory matters currently under review, Commission consideration of the following rate matters has been deferred until the February, 2002 regulatory session: 1. private water well rates; 2. fire hydrant rate; 3. multi-residence wastewater tariff; 4. rate design issues flowing from the Deloitte Touche cost of service study; and 5. Tariff R arrearages.

RECEIVED
SEP 20 2001
10:38 AM
mae

2001 Administrative Order On Consent in Docket No. CWA-402-9-01-19.

1. Regulatory Surcharge.

Discussion

During the March 2001 regulatory session, the Commission directed ALJ to initiate proceedings to propose a regulatory surcharge to enable GWA to retire its arrearages to GPA and GTA. As of June 1, 2001 this arrearage had grown to over $18 million dollars. Pursuant to this directive, public hearings were held on August 30, 2001, September 7 and 10, 2001 to consider a Georgetown proposal[2] [the "Georgetown Proposal"] that a surcharge be established according to the following principles[3]:

1. A 11.5 % regulatory surcharge should be established and imposed on all non-lifeline charges for meters read after October 1, 2001. The surcharge would cause a 5.1% increase on residential water rates. This surcharge would retire GWA's obligations to GPA and GTA, with interest at the five year T-Bill rate, in seven years.

2. GWA should establish a separate interest bearing bank account for deposit of surcharge revenues on a weekly basis.[4] GWA should be required to file its monthly bank statement for this account with the Commission to evidence its deposit and transmittal of funds pursuant to this Order.

3. Surcharge revenues should be used solely to retire arrearages to GPA and GTA as of September 30, 2001 and to pay the outstanding and ongoing regulatory fees and charges assessed by the Commission.

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[2] See Georgetown Report On GWA Obligations, dated August 2001. At the August 30, 2001 public hearing, GPA and GWA supported the Georgetown proposal.

[3] By ALJ order, GTA and GPA were authorized to intervene as parties in this docket.

[4] GWA by its August 30, 2001 letter expresses doubt over its ability to separately account for the surcharge. Gerogetown should be directed to examine this problem and to recommend a solution.

4. Georgetown should be directed to determine the September 30, 2001 balances owed by GWA to GTA and GPA.

5. Commencing on November 1, 2001 and on the first of each month thereafter until further Commission order, GWA should disburse the surcharge revenues in accordance with the following protocol:

   i. $50,000 should be paid each month to GTA until its account balance, as of September 30 2001, is paid in full.

   ii. The Commission's annual administrative assessment should be paid in full when due.

   iii. Commission invoices in excess of 60 days should be paid; provided, however, that in no event should GPA be paid less than $75,000 per month. After Commission invoices in excess of 60 days have been retired, its invoices should be paid on an ongoing basis, subject to the $75,000 rule.

   iv. All residual funds after the above payments have been made should be paid to GPA until GWA's obligation to GPA has been paid in full. The surcharge revenues should not be used to pay current bills from GTA and GPA, which should be paid from base rate revenues.

   v. GWA should file a quarterly reconciliation report of surcharge proceeds and disbursements, in form approved and under deadlines established by ALJ. ALJ should be authorized to issue such administrative orders as may be useful or necessary to implement the surcharge.

Determinations

At a duly convened Commission meeting, which was held on September 12, 2001, the Commission, after reviewing and considering the testimony and argument of the parties during the public hearings, the record in this docket, the report of its administrative law judge, dated September 11, 2001, for good cause shown and by the affirmative vote of five Commissioners, makes the following determinations.

1. The Commission has the statutory duty under 12 GCA 12004 to establish and maintain GWA rates, which are adequate to enable it to pay its contractual obligations. The Commission has no discretion to ignore this statutory mandate.

2. GWA owes GPA for power and billing services an estimated balance of $17.6 million and owes GTA an estimated balance of $300,000.[5]

3. By P.L. 26-15, the Guam Legislature assumed the responsibility for establishing GWA's FY02 budget. There is no provision in this budget for payment of the GWA arrearage to GPA and GTA.

4. GPA's auditor, Ernst & Young has advised the Commission that unless the Commission promptly establishes a revenue stream to fund the payment of GWA's arrearage to GPA, it will be required under generally accepted accounting standards, to require GPA to accrue these arrearages as doubtful debts, which could put GPA in default under its bond covenants, impair GPA's bond rating and restrict its ability to access financial markets.[6]

5. GTA has been in default of its RUS TIER bond covenant for the past five years. RUS has cautioned that unless this default is promptly cured by rate relief, it will be forced to pursue its

---

[5] See Joint Georgetown, GPA, GTA & GWA Hearing Exhibit [Attachment A].

[6] See Ernst & Young letter dated March 1, 2001. This advice was reiterated by E&Y partner Richard Boice in sworn testimony on August 30, 2001 in this docket.

enforcement powers under the bond.[7] GWA's $300,000 arrearage to GWA must be addressed in response to this RUS demand.

6. The Georgetown Proposal is a prudent way for the Commission to discharge its statutory responsibility to establish adequate rates to enable GWA to retire its arrearage to GPA and GTA.

7. An essential aspect of the Commission's independent regulatory authority is its power under 12 GCA 12024 to directly assess regulated utilities for its regulatory expenses. This authority would be unacceptably compromised if the Legislature established the Commission's GWA regulatory budget under P.L. 26-15, which would necessarily include legislative control of whether funds are budgeted to enable the Commission to conduct rate proceedings.[8] Accordingly, the Commission should fund its regulatory expenses through the surcharge.

2. GWA Lifeline Rates.

During the aforementioned public hearings in this combined docket proceeding, Georgetown and GWA recommended that the interim residential water lifeline rate, as established by Commission Order dated February 25, 2000 and the interim residential wastewater lifeline rate, as established by Commission Order dated June 2, 2000 be approved as permanent rates. The interim rates are reasonably consistent with the Deloitte & Touche cost of service study, dated February 26, 2001.[9] The action of making these lifeline rates permanent is significant because under 12 GCA 12004, they cannot be increased until GWA's total actual overall cost of providing service to all classes of customers, increases by no less than twenty percent.

---

[7] See RUS letter to Vincent Arriola dated June 18, 2001 and RUS letter to Chairman Brooks dated August 28, 2001.

[8] See 12 GCA 12024. The Legislature has pledged in Section 6.20 of the GPA Bond Indentures dated December 1, 1992 [1992 Series A Bonds] that it will take no action to substantially impair the Commission's independent regulatory authority.

[9] See Georgetown Report on GWA Obligations dated August 2001 at p. 9.

3. Focused Management Audit.

By its August 23, 2001 report on GWA collection policy, Georgetown has made the following findings and recommendations:

a. The level of GWA's accounts receivable is unacceptable and should be reduced.

b. An interim target for GWA's account receivable should be no more than 60 days on an average weighted basis.

c. The Commission should require an explanation from GWA as to why its auditor has concluded that its $1.1 million receivable for services to Tiyan is uncollectible.

d. GWA should be required to prepare and submit for Commission review and approval a comprehensive collection and disconnection policy.

e. GWA should be required, under ALJ oversight, to provide the six quarterly reports listed in the Georgetown August report.

f. Georgetown should be authorized and directed, under ALJ oversight, to undertake a focused management audit of GWA's billing and collection practices [revenue cycle].

GWA has agreed with these recommendations by its August 30, 2001 letter to the Commission.

4. BOT and EPA Order.

The Georgetown Report, dated August 27, 2001, recommends that the Commission immediately take pro-active measures to enable GWA to implement the BOT law. The Report also expresses concern over GWA's ability to prepare the $40.6 million dollar financial plan required by the United States Environmental Protection Agency's August 8, 2001 Administrative Order on Consent in Docket No. CWA-402-9-01-19 [the "EPA Order"].

Consistent with Georgetown's recommendations, ALJ has recommended in his September 11, 2001 report that the Commission should, in the exercise of its audit powers under P.L. 25-05:12, authorize ALJ to oversee GWA's implementation of the BOT law at the earliest possible date and the development of the financial plan required by the EPA Order.

The Commission is aware that the Legislature in Bill 133 [GWA FY02 Budget Act] is considering administrative provisions, which would provide the Commission with express authority regarding BOT implementation and the GWA financial plan. This Decision and Order should anticipate this delegation of authority.

Order

The Commission, in the exercise of its judgment and regulatory authority, having carefully reviewed and considered the matters discussed above, arguments, reasoning and position of the parties and the public comments received during public hearings and for good cause shown, hereby **ORDERS THAT:**

1. The Georgetown Proposal for the establishment of a GWA regulatory surcharge, effective for meters read after October 1, 2001, to fund the payment of its arrearages to GPA and GTA is hereby approved. The Commission's ALJ is hereby authorized and directed to oversee the implementation of the Georgetown Proposal, including, without limitation, the computation of amounts due and the installment amount, the collection and disbursement of surcharge proceeds and GWA's reporting requirements under the Georgetown Proposal. ALJ is also authorized, consistent with this Order, to make such rulings and orders as may be necessary and appropriate to facilitate the implementation and administration of the surcharge and GWA's compliance with this Order.

2. The GWA interim residential wastewater lifeline rate, as established by Commission Order dated February 25, 2000 and its interim residential wastewater lifeline rate, as established by

Commission Order dated June 2, 2000 are hereby approved and established as permanent rates.

3. Georgetown is authorized and directed, under ALJ oversight, to undertake a focused management audit of GWA's revenue cycle.

4. ALJ is authorized and directed to oversee GWA's compliance with the recommendations contained in Georgetown's August 23, 2001 GWA collection report, including the preparation of a comprehensive collection policy, the six quarterly reports recommended in the report and an analysis of the write-off of the $1.1 million GWA Tiyan receivable.

5. ALJ is authorized and directed to oversee GWA's expeditious implementation of the BOT legislation and its preparation of the financial plan mandated by the EPA Order, including the exercise of any authority regarding these matters as may be conferred upon the Commission by Bill 133 [currently under consideration by the Legislature].

5. GWA is ordered to pay the Commission's expenses in this combined docket proceeding, including all expenses as may be incurred pursuant to this Decision and Order, including without limitation, consulting and counsel fees and expenses and the expense of conducting hearing proceedings.

Dated this 13th day of September 2001.

Terrence M. Brooks

Joseph M. McDonald

Filomena M. Cantoria

Edward C. Crisostomo

Gerald M. Woo

GUAM WATERWORKS AUTHORITY
Aturidat Kinalamten Hanom Guahan
Government of Guam
Post Office Box 3010, Hagåtña, Guam 96932
Phone: (671) 479-7808/7823 Fax: (671) 479-7879

AUG 23 2002

Mr. Michael Lee, CMD-5
Office of the Pacific Insular & Native American Projects
U.S. Environmental Protection Agency, Region IX
75 Hawthorne Street, San Francisco, CA. 94105

SUBJECT: Tumon Overflow (Initial Notification, Wednesday, August 14, 2002)

At approximately 8:00 a.m., Wednesday morning the northern roving crew responded to a sewage overflow report in the Tumon area and discovered two (2) sewer manholes overflowing along San Victores Road in front of the Hyatt Hotel. Crews immediately went to the Fujita SPS and discovered that pump #3 was no longer operating. Several attempts to restart pump #3 failed, tripping the circuit breaker with each attempt. Crews then activate the standby pump, which is pump #1 and called for pumping trucks to aid in the cessation of the raw sewage overflow. The overflow lasted approximately 45 minutes.

To date, two (2) pumps #3 and #4 are back on line operating in the automatic mode and according to the Guam Shipyard, the contractor rebuilding the Fujita pumps, the remaining two (2) pumps which are pumps #1 and #2 will be installed NLT than August 30, 2002. This will place the operational status of the Fujita SPS AT 100% pumping capacity, a capacity it has not had in over twenty years. This new level of operational readiness will significantly reduce the chances of repeat overflows at this station.

We estimate the sewage spill to be minimal since most of the spilled was confined to the east side of the Hyatt Hotel loading dock and parking area (location of the lowest sewer manhole in the affected area). Sewage pumping trucks extracted more than 15,000 gallons of sewage from these areas. We were not able to estimate the spill along San Victores Road because it had already flowed into the nearby storm drain.

Clean up and sanitization was completed in the areas affected.

Guam Waterworks Authority remains diligent in its effort to prevent sewage overflows. Should you have any questions regarding this matter, please contact Mr. Ed Reyes, Assistant Wastewater Manager at 479-7885/7861.

GIL A. SHINOHARA
Acting General Manager

cc: Administrator, GEPA
Laboratory
Engineering, CIP Wastewater
Wastewater Division

GUAM WATERWORKS AUTHORITY
PO BOX 3010 HAGATNA, GU 96932
TEL. 479-7823/7808
FAX: 479-7879

facsimile transmittal

To:	MIKE LEE/USEPA	**Fax:**	(415)947-3560
From:	GIL A. SHINOHARA	**Date:**	8/23/2002
Re:	TUMON OVERFLOW (INTIAL NOTIFICATION, WEDNEDAY, AUG, 14, 2002	**Pages:**	1
CC:	N/A		

☐ Urgent ☐ For Review ☐ Please Comment ☐ Please Reply ☐ Please Recycle

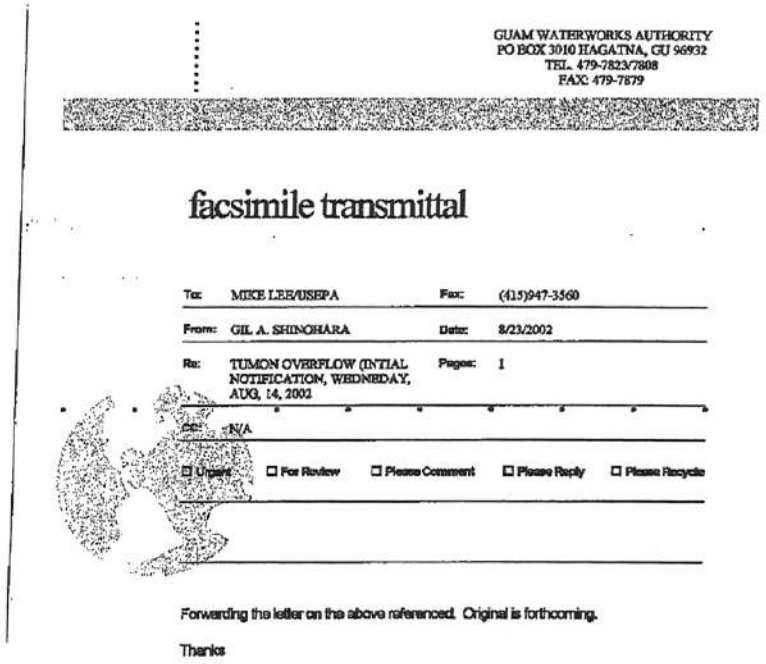
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Thanks

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Company Logo G. W. A GENERAL MANAGER OFFICE.

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GUAM WATERWORKS AUTHORITY
PO BOX 3010 HAGATNA, GU 96932
TEL. 479-7823/7808
FAX: 479-7879

facsimile transmittal

To: MIKE LEE/USEPA Fax: (415)947-3560
From: GIL A. SHINOHARA Date: 8/23/2002
Re: TUMON OVERFLOW (INTIAL NOTIFICATION, WEDNEDAY, AUG, 14, 2002 Pages: 1
CC: N/A
☐ Urgent ☐ For Review ☐ Please Comment ☐ Please Reply ☐ Please Recycle

Forwarding the letter on the above referenced. Original is forthcoming.

Thanks

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HP: Host Print
HR: Host Receive

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PG: Polling a Remote
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FM: Forward Mailbox Doc.

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WS: Waiting Send

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GUAM WATERWORKS AUTHORITY
Ataridat Kinalamten Hanom Guahan
Government of Guam
Post Office Box 3010, Hagåtña, Guam 96932
Phone: (671) 479-7808/7823 Fax: (671) 479-7879

AUG 23 2002

Mr. Michael Lee, CMD-5
Office of the Pacific Insular & Native American Projects
U.S. Environmental Protection Agency, Region IX
75 Hawthorne Street, San Francisco, CA. 94105

SUBJECT: Tumon Overflow (Initial Notification, Wednesday, August 14, 2002)

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To date, two (2) pumps #3 and #4 are back on line operating in the automatic mode and according to the Guam Shipyard, the contractor rebuilding the Fujita pumps, the remaining two (2) pumps which are pumps #1 and #2 will be installed NLT than August 30, 2002. This will place the operational status of the Fujita SPS AT 100% pumping capacity, a capacity it has not had in over twenty years. This new level of operational readiness will significantly reduce the chances of repeat overflows at this station.

We estimate the sewage spill to be minimal since most of the spilled was confined to the east side of the Hyatt Hotel loading dock and parking area (location of the lowest sewer manhole in the affected area). Sewage pumping trucks extracted more than 15,000 gallons of sewage from these areas. We were not able to estimate the spill along San Victores Road because it had already flowed into the nearby storm drain.

Total Pages Scanned : 2 Total Pages Confirmed : 2

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FM: Forward Mailbox Doc.

MB: Receive to Mailbox
PI: Power Interruption
TM: Terminated by user
WT: Waiting Transfer
WS: Waiting Send

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Local Name G. W. A GENERALMANAGER
Company Logo G. W. A GENERAL MANAGER OFFICE.

This document was confirmed.
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GUAM WATERWORKS AUTHORITY
Aturidat Kinalamten Hanom Guahan
Government of Guam
Post Office Box 3010, Hagåtña, Guam 96932
Phone: (671) 479-7808/7823 Fax: (671) 479-7879

AUG 23 2002

Mr. Michael Lee, CMD-5
Office of the Pacific Insular & Native American Projects
U.S. Environmental Protection Agency, Region IX
75 Hawthorne Street, San Francisco, CA. 94105

SUBJECT: Tumon Overflow (Initial Notification, Wednesday, August 14, 2002)

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HP: Host Print
HR: Host Receive

PD: Polled by Remote
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GUAM WATERWORKS AUTHORITY
Aturidat Kinalamten Hanom Guahan
Government of Guam
Post Office Box 3010, Hagåtña, Guam 96932
Phone: (671) 479-7808/7823 Fax: (671) 479-7879

SEP 17 2002

Barry Pollock, P.E.
Hawaii, Guam, CNMI PWSS Program Project Officer
U.S. Environmental Protection Agency Region 9
Drinking Water Office/WTR-6
75 Hawthorne Street
San Francisco, CA 94105

SUBJECT: Drinking Water Utility Security Grant Amendment

Hafa Adai Mr. Pollock:

Please find the attached key people list which is amended to reflect that Leo Espia of the Guam Civil Defense Office as the co-program director. Also to reiterate the teleconference dated September 10, 2002 among Barry Pollock of USEPA, Joe Javellana, Director of Guam Civil Defense Office and Prudencio Aguon, Planner II, of Guam Waterworks Authority. It is acknowledged that Civil Defense and Guam Waterworks Authority will be working jointly on the administration of the grant.

Should you have any questions, please contact Mr. Dan Guerrero, Chief Planner of our Planning Division at 479-7810/479-7670.

GIL A. SHINOHARA
Acting General Manager

Cc: Leo Espia, Office of Civil Defense

KEY CONTACTS

Authorized Representatives: Original awards and amendments will be sent to this individual for review and acceptance, unless otherwise indicated.

Name: Gil A. Shinohara

Title: Acting, General Manager

Complete Address: P.O. Box 3010
Hagatna, Guam 96910

Phone Number: (671) 479-7823 Fax: (671) 4797879

E-Mail Address:

Payee: Individual authorized to accept payments.

Name: Zeny Levitch (Nace)

Title: Controller (Accounting Manager)

Complete Address: P.O. Box 3010
Hagatna, Guam 96910

Phone Number: (671) 647-7602 Fax: (671) 479-7879

E-Mail Address:

Administrative Contact: Individual from Sponsored Programs Office to contact concerning administrative matters (i.e., indirect cost rate computation, rebudgeting requests, etc.)

Name: Prudencio Aguon

Title: Planner

Complete Address: P.O. Box 3010
Hagatna, Guam 96910

Phone Number: (671) 4797605/7809 Fax: (671) 479-7879

E-Mail Address: encho@hotmail.com

CO-Administrative Contact
Leo Espia P.O. Box 2877
Planner IV Hagatna, Guam 96932

Project Manager: Individual responsible for the technical completion of the proposed work.

Name: Same as Administrative Contact

Title:

Complete Address:

Phone Number: Fax:

E-Mail Address:

GUAM WATERWORKS AUTHORITY
PO BOX 3010 HAGATNA, GU 96932
TEL. 479-7823/7808
FAX: 479-7879

facsimile transmittal

To:	BARRY POLLOCK, P.E./USEPA	**Fax:**	(415)947-3549
From:	GIL A. SHINOHARA	**Date:**	9/17/2002
Re:	DRINKING WATER UTILITY SECURITY GRANT APPLICATION	**Pages:**	2
CC:	N/A		

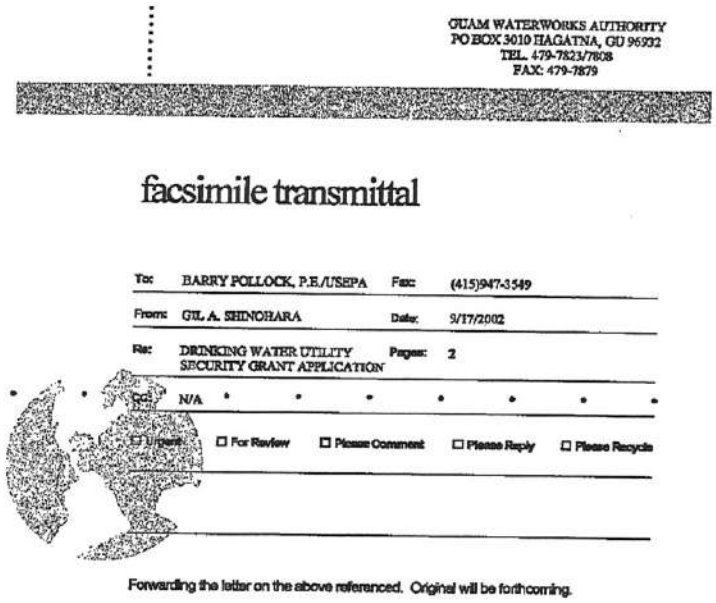
☐ Urgent ☐ For Review ☐ Please Comment ☐ Please Reply ☐ Please Recycle

Forwarding the letter on the above referenced. Original will be forthcoming.

Transmission Report

Date/Time 9-17-02;10:13AM
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Local Name G.W.A GENERALMANAGER
Company Logo G.W.A GENERAL MANAGER OFFICE.

This document was confirmed.
(reduced sample and details below)
Document Size Letter-S



GUAM WATERWORKS AUTHORITY
PO BOX 3010 HAGATNA, GU 96932
TEL. 479-7823/7808
FAX: 479-7879

facsimile transmittal

To: BARRY POLLOCK, P.E./USEPA Fax: (415)947-3549
From: GIL A. SHINOHARA Date: 9/17/2002
Re: DRINKING WATER UTILITY SECURITY GRANT APPLICATION Pages: 2
cc: N/A
☐ Urgent ☐ For Review ☐ Please Comment ☐ Please Reply ☐ Please Recycle

Forwarding the letter on the above referenced. Original will be forthcoming.

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Error Correct
Broadcast Send
Completed
Host Scan
Host Fax

RE: Resend
MP: Multi-Poll
RM: Receive to Memory
HP: Host Print
HR: Host Receive

PD: Polled by Remote
PG: Polling a Remote
DR: Document Removed
FO: Forced Output
FM: Forward Mailbox Doc.

MB: Receive to Mailbox
PI: Power Interruption
TM: Terminated by user
WT: Waiting Transfer
WS: Waiting Send

GUAM WATERWORKS AUTHORITY
PO BOX 3010 HAGATNA, GU 96932
TEL. 479-7823/7808
FAX: 479-7879

facsimile transmittal

To:	LEO ESPIA, OFFICE OF CIVIL DEFENSE	**Fax:**	477-3727
From:	GIL A. SHINOHARA	**Date:**	9/17/2002
Re:	DRINKING WATER UTILITY SECURITY GRANT APPLICATION	**Pages:**	2
CC:	N/A		

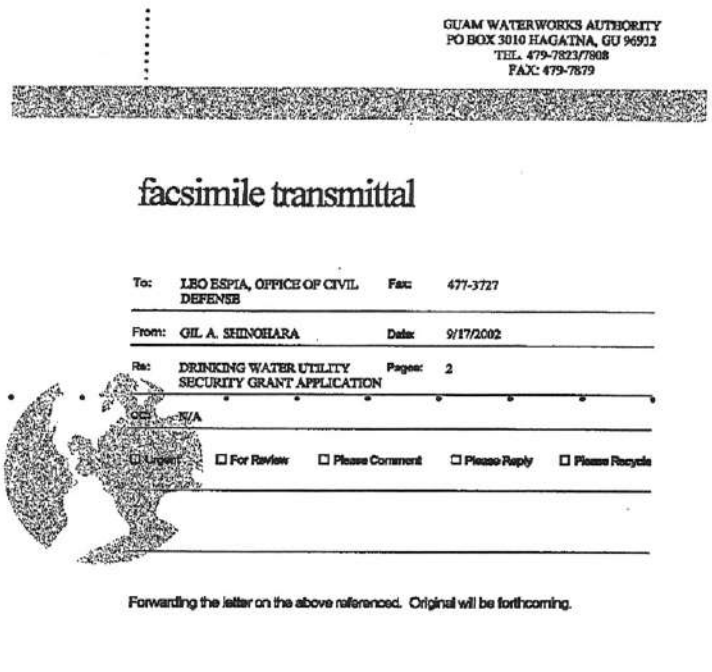
☐ Urgent ☐ For Review ☐ Please Comment ☐ Please Reply ☐ Please Recycle

Forwarding the letter on the above referenced. Original will be forthcoming.

Transmission Report

Date/Time 9-17-02;10:11AM
Local ID 6716490158
Local Name G.W.A GENERALMANAGER
Company Logo G.W.A GENERAL MANAGER OFFICE.

This document was confirmed.
(reduced sample and details below)
Document Size Letter-S



GUAM WATERWORKS AUTHORITY
PO BOX 3010 HAGATNA, GU 96932
TEL. 479-7823/7908
FAX: 479-7879

facsimile transmittal

To: LEO ESPIA, OFFICE OF CIVIL DEFENSE Fax: 477-3727

From: GIL A. SHINOHARA Date: 9/17/2002

Re: DRINKING WATER UTILITY SECURITY GRANT APPLICATION Pages: 2

CC: N/A

☐ Urgent ☐ For Review ☐ Please Comment ☐ Please Reply ☐ Please Recycle

Forwarding the letter on the above referenced. Original will be forthcoming.

Total Pages Scanned : 3 Total Pages Confirmed : 3

o.	Doc	Remote Station	Start Time	Duration	Pages	Mode	Comments	Results
1	725	9--4773727	9-17-02;10:10AM	46"	3/ 3	EC		CP 31.2

tes :
: Error Correct
: Broadcast Send
: Completed
: Host Scan
: Host Fax

RE: Resend
MP: Multi-Poll
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PD: Polled by Remote
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DR: Document Removed
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MB: Receive to Mailbox
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TM: Terminated by user
WT: Waiting Transfer
WS: Waiting Send

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION IX
75 Hawthorne Street
San Francisco, CA 94105

RECEIVED
JUL 30 2002
3:05 PM EPA
Guam

JUL 11 2002

Guam EPA

Certified Mail -Return Receipt

Gil Shinohara
Acting General Manger
Guam Waterworks Authority
P.O. Box 3010
Agana, GU 96932

Re: Grant ID # C-66001024-9
Program/Project Title: Chaot/Agana/Marine Drive Relief Sewer Project

Dear Mr. Shonhara:

The United States Environmental Protection Agency (EPA) is pleased to offer an Amendment to the program described in the enclosed agreement. **If you wish to accept this offer, please sign and date both enclosed agreements and return one signed original to the Grants Management Office, PMD-7, within three weeks.** The agreement which is marked *Recipient's Copy* should be retained for your records.

Please read the enclosed Agreement and any conditions prior to your acceptance. If you or your staff have any questions of a programmatic nature, please contact your EPA Project Officer. Questions relating to administrative or fiscal matters should be directed to your EPA Grant Specialist.

Sincerely,

Enrique Manzanilla
Director
Cross-Media Division

Enclosures

cc: Nardo Navasca, GW (w/attach)
Zeny Nace, GW (w/attach)

ETURN TO EPA, PMD-7

U.S. ENVIRONMENTAL PROTECTION AGENCY

Assistance Amendment

ASSISTANCE ID NO.			DATE OF AWARD
PRG	DOC ID	AMEND#	
C -	66001024	- 9	JUN 19 2002

TYPE OF ACTION: No Cost Amendment	MAILING DATE: JUL 11 2002
PAYMENT METHOD: ACH	ACH#: 0941

RECIPIENT TYPE:
State

Send Payment Request to:
N/A

RECIPIENT:
Guam Waterworks Authority
P.O. Box 3010
Agana, GU 96932
EIN: 66-0540236

PAYEE:
Guam Waterworks Authority
P.O. Box 3010
Agana, GU 96932

PROJECT MANAGER	EPA PROJECT OFFICER	EPA GRANT SPECIALIST
Nardo Navasca P.O. Box 3010 Agana, GU 96932 **E-Mail:** **Phone:** 671-479-7807	Michael Lee 75 Hawthorne Street, CMD-1 San Francisco, CA 94105 **E-Mail:** Lee.Michael@epa.gov **Phone:** 415-972-3769	Elizabeth Stahl Grants Management Office, PMD-7 **E-Mail:** Stahl.Elizabeth@epa.gov **Phone:** 415-972-3662

PROJECT TITLE AND DESCRIPTION
Chaot/Agana/Marine Drive Relief Sewer Project

This amendment extends the project and budget period ending dates from April 30, 2002 to December 31, 2002. There is no change in the total approved EPA funding amount of $2,707,563. All Conditions of the initial and all subsequent awards remain in full force and effect.

BUDGET PERIOD	PROJECT PERIOD	TOTAL BUDGET PERIOD COST	TOTAL PROJECT PERIOD COST
04/18/1985 - 12/31/2002	04/18/1985 - 12/31/2002	$2,707,563.00	$2,707,563.00

NOTE: The Agreement must be completed in duplicate and the Original returned to the appropriate Grants Management Office listed below, within 3 calendar weeks after receipt or within any extension of time as may be granted by EPA. Receipt of a written refusal or failure to return the properly executed document within the prescribed time, may result in the withdrawal of the offer by the Agency. Any change to the Agreement by the Recipient subsequent to the document being signed by the EPA Award Official, which the Award Official determines to materially alter the Agreement, shall void the Agreement.

OFFER AND ACCEPTANCE

The United States, acting by and through the U.S. Environmental Protection Agency (EPA), hereby offers Assistance/Amendment to the Guam Waterworks Authority for 100.00 % of all approved costs incurred up to and not exceeding $2,707,563 for the support of approved budget period effort described in application (including all application modifications) cited in the Project Title and Description above, signed 06/04/2002 included herein by reference.

ISSUING OFFICE (GRANTS MANAGEMENT OFFICE)	AWARD APPROVAL OFFICE
ORGANIZATION / ADDRESS	ORGANIZATION / ADDRESS
U.S. EPA, Region 9 Grants Management Office, PMD-7 75 Hawthorne Street San Francisco, CA 94105	U.S. EPA, Region 9 Cross -Media Division

THE UNITED STATES OF AMERICA BY THE U.S. ENVIRONMENTAL PROTECTION AGENCY

SIGNATURE OF AWARD OFFICIAL	TYPED NAME AND TITLE	DATE
	Enrique Manzanilla, Director - Cross-Media Division	JUN 19 2002

This agreement is subject to applicable U.S. Environmental Protection Agency statutory provisions and assistance regulations. In accepting this award or amendment and any payments made pursuant thereto, (1) the undersigned represents that he is duly authorized to act on behalf of the recipient organization, and (2) the recipient agrees (a) that the award is subject to the applicable provisions of 40 CFR Chapter 1, Subchapter B and of the provisions of this agreement (and all attachments), and (b) that acceptance of any payments constitutes an agreement by the payee that the amounts, if any found by EPA to have been overpaid will be refunded or credited in full to EPA.

BY AND ON BEHALF OF THE DESIGNATED RECIPIENT ORGANIZATION

SIGNATURE	TYPED NAME AND TITLE	DATE
	Gil Shinohara, Acting General Manager	

EPA Funding Information

FUNDS	FORMER AWARD	THIS ACTION	AMENDED TOTAL
EPA Amount This Action	$ 2,707,563	$	$ 2,707,563
EPA In-Kind Amount	$ 0	$	$ 0
Unexpended Prior Year Balance	$ 0	$	$ 0
Other Federal Funds	$ 0	$	$ 0
Recipient Contribution	$ 0	$	$ 0
State Contribution	$ 0	$	$ 0
Local Contribution	$ 0	$	$ 0
Other Contribution	$ 0	$	$ 0
Allowable Project Cost	$ 2,707,563	$ 0	$ 2,707,563

Assistance Program (CFDA)	Statutory Authority	Regulatory Authority
66.418 - Construction Grants For WWT Works	Clean Water Act: Sec. 201	40 CFR PTS 31 & 35 SUBPT I

Fiscal

Site Name	DCN	FY	Approp. Code	Budget Organization	PRC	Object Class	Site/Project	Cost Organization	Obligation / Deobligation

-- END OF DOCUMENT --

Gov. / Legal / Comm. / GWA

C-02-1632

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION IX
75 Hawthorne Street
San Francisco, CA 94105-3901

COPY



The Honorable Carl T.C. Gutierrez
Governor
Territory of Guam
Office of the Governor
P.O. Box 2950
Hagatna, Guam 96910

Re: Approval of Revised Water Quality Standards for Guam

Dear Governor Gutierrez:

I am pleased to inform you that the Environmental Protection Agency hereby approves the Water Quality Standards for Guam as revised by passage of Bill No. 80 on July 5, 2001 and signed into law on August 10, 2001 (PL 26-32) and later amended by passage of Bill No. 318 on May 17, 2002, and signed into law on June 18, 2002 (PL 26-113). This approval is based upon my determination that these water quality standards are consistent with the protection of public health and welfare, the protection of the quality of waters of Guam, and the purposes of the Clean Water Act, as provided by Section 303(c) and 40 CFR Part 131.

EPA has found that the approval of Guam's revised Water Quality Standards will have no effect on federally designated endangered or threatened species or result in the adverse modification of designated critical habitat of such species under Section 7(a)(2) of the Endangered Species Act.

These revised standards include numeric standards for toxic substances based on the national toxics criteria guidance and a narrative prohibition on toxicity, which fully satisfy the requirements of the Clean Water Act, Section 303(c)(2)(B).

We look forward to working with your office and the Guam Environmental Protection Agency in carrying out the goals and implementing the provisions of Guam's water quality standards.

Sincerely,

Alexis Strauss

Alexis Strauss 24 July 2002
Director, Water Division

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION IX
75 Hawthorne Street
San Francisco, CA 94105

RECEIVED
JUL 30 2002
3:00 PM SPC
Court

July 22, 2002

Gil A. Shinohara
Acting General Manager
Guam Waterworks Authority
P.O. Box 3010
Agana, Guam 96932

Re: Close-Out of Commercial Port Sewer Pump Station & Forcemain Project
EPA Construction Grant No. C660010-16-7

Dear Mr. Shinohara:

We would like to acknowledge the completion of the above reference project which was funded under EPA Construction Grant No. C660010-16-7. We appreciate the effort your office has contributed toward completing this project.

Your project has been determined to be complete regarding Federal participation. We find that the project was constructed in accordance with the approved plans and specifications, and that the sewer pump station and forcemain are in operation. There is $176,293.43 remaining EPA Construction Grant funds associated with the above referenced project. These remaining EPA Construction Grant funds will be deobligated and made available for future wastewater grant projects. You should retain the project files for three years from the close-out date of the project. Since this project represents a substantial investment of public funds, we hope your office will ensure the proper operation and maintenance of the sewer pump station and forcemain.

Again, we wish to thank you for your efforts regarding this construction grant project. If you have any questions, please contact me at 415-972-3769.

Sincerely,

M. J. Lee

Michael J. Lee
Guam Project Officer
Pacific Insular Area Programs

cc: C. Taitano, AGM, GWA
M. Miller, GWA
N. Navasca, GWA
C. Lund, GEPA
L. Furukawa, ACOE HI
F. Dayton, ACOE Guam

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION IX
75 Hawthorne Street
San Francisco, CA 94105

RECEIVED
JUL 30 2002
3:05PM SPC
Cours

JUL 11 2002

Certified Mail -Return Receipt

Gil Shinohara
Acting General Manger
Guam Waterworks Authority
P.O. Box 3010
Agana, GU 96932

Re: Grant ID # C-66001024-9
Program/Project Title: Chaot/Agana/Marine Drive Relief Sewer Project

Dear Mr. Shonhara:

The United States Environmental Protection Agency (EPA) is pleased to offer an Amendment to the program described in the enclosed agreement. **If you wish to accept this offer, please sign and date both enclosed agreements and return one signed original to the Grants Management Office, PMD-7, within three weeks.** The agreement which is marked *Recipient's Copy* should be retained for your records.

Please read the enclosed Agreement and any conditions prior to your acceptance. If you or your staff have any questions of a programmatic nature, please contact your EPA Project Officer. Questions relating to administrative or fiscal matters should be directed to your EPA Grant Specialist.

Sincerely,

Enrique Manzanilla
Director
Cross-Media Division

Enclosures

cc: Nardo Navasca, GW (w/attach)
Zeny Nace, GW (w/attach)

RECIPIENT'S COPY

U.S. ENVIRONMENTAL PROTECTION AGENCY Assistance Amendment	ASSISTANCE ID NO. PRG: — DOC ID: C - 66001024 - AMEND#: 9	DATE OF AWARD JUN 19 2002
	TYPE OF ACTION No Cost Amendment	MAILING DATE JUL 11 2002
	PAYMENT METHOD: ACH	ACH# 0941

RECIPIENT TYPE:	Send Payment Request to:
State	N/A
RECIPIENT:	**PAYEE:**
Guam Waterworks Authority P.O. Box 3010 Agana, GU 96932 **EIN:** 66-0540236	Guam Waterworks Authority P.O. Box 3010 Agana, GU 96932

PROJECT MANAGER	EPA PROJECT OFFICER	EPA GRANT SPECIALIST
Nardo Navasca P.O. Box 3010 Agana, GU 96932 **E-Mail:** **Phone:** 671-479-7807	Michael Lee 75 Hawthorne Street, CMD-1 San Francisco, CA 94105 **E-Mail:** Lee.Michael@epa.gov **Phone:** 415-972-3769	Elizabeth Stahl Grants Management Office, PMD-7 **E-Mail:** Stahl.Elizabeth@epa.gov **Phone:** 415-972-3662

PROJECT TITLE AND DESCRIPTION
Chaot/Agana/Marine Drive Relief Sewer Project

This amendment extends the project and budget period ending dates from April 30, 2002 to December 31, 2002. There is no change in the total approved EPA funding amount of $2,707,563. All Conditions of the initial and all subsequent awards remain in full force and effect.

BUDGET PERIOD	PROJECT PERIOD	TOTAL BUDGET PERIOD COST	TOTAL PROJECT PERIOD COST
04/18/1985 - 12/31/2002	04/18/1985 - 12/31/2002	$2,707,563.00	$2,707,563.00

NOTE: The Agreement must be completed in duplicate and the Original returned to the appropriate Grants Management Office listed below, within 3 calendar weeks after receipt or within any extension of time as may be granted by EPA. Receipt of a written refusal or failure to return the properly executed document within the prescribed time, may result in the withdrawal of the offer by the Agency. Any change to the Agreement by the Recipient subsequent to the document being signed by the EPA Award Official, which the Award Official determines to materially alter the Agreement, shall void the Agreement.

OFFER AND ACCEPTANCE

The United States, acting by and through the U.S. Environmental Protection Agency (EPA), hereby offers Assistance/Amendment to the Guam Waterworks Authority for 100.00 % of all approved costs incurred up to and not exceeding $2,707,563 for the support of approved budget period effort described in application (including all application modifications) cited in the Project Title and Description above, signed 06/04/2002 included herein by reference.

ISSUING OFFICE (GRANTS MANAGEMENT OFFICE)	AWARD APPROVAL OFFICE
ORGANIZATION / ADDRESS	ORGANIZATION / ADDRESS
U.S. EPA, Region 9 Grants Management Office, PMD-7 75 Hawthorne Street San Francisco, CA 94105	U.S. EPA, Region 9 Cross -Media Division

THE UNITED STATES OF AMERICA BY THE U.S. ENVIRONMENTAL PROTECTION AGENCY

SIGNATURE OF AWARD OFFICIAL	TYPED NAME AND TITLE	DATE
	Enrique Manzanilla, Director - Cross-Media Division	JUN 19 2002

This agreement is subject to applicable U.S. Environmental Protection Agency statutory provisions and assistance regulations. In accepting this award or amendment and any payments made pursuant thereto, (1) the undersigned represents that he is duly authorized to act on behalf of the recipient organization, and (2) the recipient agrees (a) that the award is subject to the applicable provisions of 40 CFR Chapter 1, Subchapter B and of the provisions of this agreement (and all attachments), and (b) that acceptance of any payments constitutes an agreement by the payee that the amounts, if any found by EPA to have been overpaid will be refunded or credited in full to EPA.

BY AND ON BEHALF OF THE DESIGNATED RECIPIENT ORGANIZATION

SIGNATURE	TYPED NAME AND TITLE	DATE
	Gil Shinohara, Acting General Manager	AUG 01 2002

EPA Funding Information

FUNDS	FORMER AWARD	THIS ACTION	AMENDED TOTAL
EPA Amount This Action	$ 2,707,563	$	$ 2,707,563
EPA In-Kind Amount	$ 0	$	$ 0
Unexpended Prior Year Balance	$ 0	$	$ 0
Other Federal Funds	$ 0	$	$ 0
Recipient Contribution	$ 0	$	$ 0
State Contribution	$ 0	$	$ 0
Local Contribution	$ 0	$	$ 0
Other Contribution	$ 0	$	$ 0
Allowable Project Cost	$ 2,707,563	$ 0	$ 2,707,563

Assistance Program (CFDA)	Statutory Authority	Regulatory Authority
66.418 - Construction Grants For WWT Works	Clean Water Act: Sec. 201	40 CFR PTS 31 & 35 SUBPT I

Fiscal

Site Name	DCN	FY	Approp. Code	Budget Organization	PRC	Object Class	Site/Project	Cost Organization	Obligation / Deobligation

-- END OF DOCUMENT --

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION IX
75 Hawthorne Street
San Francisco, CA 94105

RECEIVED
JUL 19 2002
1:25 PM SPC

June 27, 2002

Gil Shinohara
Acting General Manager
Guam Waterworks Authority
P.O. Box 3010
Agana, GU 96932

Subject: Financial Reconciliation of EPA Assistance Agreement No. **HG-989253-01**

Dear Mr. Shinohara:

This letter initiates the financial reconciliation of your assistance agreement. We have conducted our review of your final Financial Status Report (FSR) for the above-mentioned agreement with our financial system. The results of our review are as follows:

CARRYOVERS AND ADJUSTMENTS

The total amount of federal funds authorized for the period 5/1/99-10/31/00 was $32,400. Because $24,910.18 was required, according to your Final Financial Status Reports, there remains a balance of $ 7,489.82 in the authorized amount. This balance will be disposed of as follows:

$7,489.82 of the balance is being withdrawn from the award amount and is no longer available for expenditure.

REFUNDS/DRAWDOWNS

The results of our review are documented on the attachments as follows:

1) Attachment 1 - Screen print of Orders Header Inquiry Table in EPA's accounting system. The expended amount is the amount that has been disbursed under the above Cooperative Agreement.

2) Attachment 2 - Copy of your final Financial Status Report.

Our records indicate that you received $24,910.18 in EPA assistance payments. According to your Financial Status Report, you incurred $24,910.18 for the Federal share of outlays.

3) No action is required.

Your Financial Status Report is subject to subsequent adjustments based on audit findings. This transmittal must not be considered as the final settlement of allowable costs.

If you have any questions concerning carryover and adjustments, please contact the EPA Grants Specialist assigned to this project, Elizabeth Stahl, at (415) 972-3662. Any financial questions concerning the drawdowns, please contact the EPA Grants Accounting Technician assigned to this project, Evelyn Bernabe at (415) 972-3712.

If you do not otherwise advise us within 30 days of the date of this letter, we will assume that you concur with the information provided and we will complete EPA financial close out transactions.

Sincerely,

Melinda Taplin
Melinda Taplin
Grants Management Officer
Grants Program

David A. Wood
David Wood, Manager
Cost Accounting Section

Attachments

Screen Print of Order Header Inquiry Table
Final FSR

```
ACTION: R  SCREEN: OBLH USERID: QAFI                        06/27/02   02:29:10 PM
                    *** ORDERS HEADER INQUIRY TABLE ***
KEY IS TRANS CODE, ORDER NUMBER
     TRANS CODE: GO       ORDER NUMBER: HG98925301       DOC TYPE:
    VENDOR CODE: 660540236A 1  PO DATE: 05 03 1999     TRANS TYPE: 01
           NAME: GUAM WATERWORKS AUTHORITY          DELIVERY DATE:
       COMMENTS:                                        END DATE: 10 31 2000
        CONTACT:                                   END DATE DESC:
  INSP/ACC DAYS: 00                      COMM FLAG:
  NEG PYMT DAYS: 00     TEXT TYPE:
  NO OF OPTIONS: 00                                EFFECTIVE DATE: 05 01 1999
      ALT PAYEE:              /
    ORDERED AMT:          24,910.18                    RELATED GBL:
     CLOSED AMT:          24,910.18                    CLOSED DATE: 06 27 2002
    ACCRUED AMT:              0.00                 LAST PRINT DATE:
   EXPENDED AMT:          24,910.18                 LAST CHG STATUS:
OUTSTANDING AMT:              0.00                       BLANKET #:
   ACCEPTED AMT:              0.00   RCVR REQD: N  FINAL REC FLAG:
   INVOICED AMT:              0.00                 SUBMITTING SFO: AP09
   MISC REF AMT:              0.00                     CONTRACT #: HG98925301
   HOLDBACK AMT:              0.00  RESP PERSON:
DISCOUNT % / DAYS:  0.000 / 00  ;   0.000 / 00  ;   0.000 / 00
```

FINANCIAL STATUS REPORT

(Short Form)

(Follow Instructions on the back)

1. Federal Agency and Organizational Element to Which Report is Submitted	2. Federal Grant or Other Identifying Number Assigned by Federal Agency	OMB Approved No.	Page of
U.S. E. P.A.	~~HG-9825301-1~~ HG-98925801-0 ES.	0348-0038	1 of 1

3. Recipient Organization (Name and complete address, including ZIP code) — Guam

Waterworks Authority P. O. Box 3010 Hagatna, Guam 96910

4. Employer Identification number	5. Recipient Account Number or Identifying Number	6. Final Report		7. Basis	
		yes	no	Cash	
Not Applicable	GSC99-033	XXX		Accrual	XXX

8. Funding/Grant Period (See Instructions) From: (Month, Day, Year)	To: (Month, Day, Year)	9. Period Covered by this Report From: (Day, Month, Year)	To:(Month, Day, Year)
May 1, 1999	Oct. 31, 2000	March 19, 1999	Oct. 31, 2000

10. Transactions	I Previously Reported	II This Period	III Cumulative
a. Total outlays	$ 24,910.18	$ -	$ 24,910.18
b. Recipient share of outlays	$ -	$ -	$ -
c. Federal share of outlays	$ 24,910.18	$ -	$ 24,910.18
d. Total unliquidated obligations	$ -	$ -	$ -
e. Recipient share of unliquidated obligations	$ -	$ -	$ -
f. Federal share of unliquidated obligations	$ -	$ -	$ -
g. Total Federal share (Sum of lines c and f)	$ 24,910.18	$ -	$ 24,910.18
h. Total Federal funds authorized for this funding period	$ 32,400.00	$ -	$ 32,400.00
i. Unobligated balance of Federal funds (Line h minus line g)	$ 7,489.82	$ -	$ 7,489.82

11. Indirect Expenses	a. Type of Rate (Place "X" in appropriate box)							
		Provisional		Predetermined		Final		Fixed
	b. Rate		c. Base		d. Total Amount		e. Federal Share	
	N/A		N/A		N/A	N/A	N/A	

12. Remarks: Attach any explanations deemed necessary or information required by Federal sponsoring agency in compliance with governing legislation

13. Certification: **I certify to the best of my knowledge and belief that his report is correct and complete and that all outlays and unliquidated obligations are for the purposes set forth in the award documents.**

Typed or Printed Names and Title	Telephone (Area code, number and extension
Herbert J. Johnston Jr., General Manager	(671) 479-7676
Signature of Authorized Certifying Officer	Date Report Submitted
	August 23, 2001

RECEIVED

FEB 4 2002

GMO, PMD-7

Routing - CAN

Main Identity

From: <Lee.Michael@epamail.epa.gov>
To: "galiza danilo gwa" <dgaliza@mail.gov.gu>; <encho@hotmail.com>; "Carlos taitano GWA" <carlost@mail.gov.gu>
Sent: Tuesday, July 23, 2002 12:41 AM
Subject: EPA Special Appropriation Grant Application for Upgrade of GW Chlorination Systems

Danny/Prudencio: resending. Hope things are getting better or more under control. Please let me know where things are at with respect to being able to address the below list remaining items. Mike

----- Forwarded by Michael Lee/R9/USEPA/US on 07/22/2002 07:38 AM -----

Michael Lee
07/09/2002 09:47 AM

To: dgaliza@mail.gov.gu, encho@hotmail.com, carlost@mail.gov.gu
cc: Barry Pollock/R9/USEPA/US@EPA, Ben Machol/R9/USEPA/US@EPA, amarquez@guamepa.govguam.net, apksigie@ite.net, clund@guamepa.govguam.net
Subject: EPA Special Appropriation Grant Application for Upgrade of GW Chlorination Systems

Danny/Prudencio,

I got a copy of the grant application package for the above reference project. I will begin putting together my funding recommendation for this project. However, I have a few comments on the application package. One is the "start" and "ending" dates on the application form. It shows a project period starting on 8/01/02 and ending 3/31/03. This seems very optimistic to me. Second, and related, is that the application package didnot include a SOW laying out exactly which GW Chlorination systems of the A, D and Y series will be upgraded and an action plan schedule for the design and construction phases. Will you be able to upgrade all of the A, D and Y series chlorination systems with the $485,000? If not, which ones will be upgraded? The application package also didn't include a clearinghouse approval. Wouldn't this project require a clearinghouse approval?

I need to have these items addressed to complete my funding recommendation and the grant application package.

Mike
Guam Project Officer
Ph: 415-972-3769
Fax: 415-947-3560

7/31/2002

Route-Opa/0,

Main Identity

From: <Lee.Michael@epamail.epa.gov>
To: "Prudencio Aguon" <encho@hotmail.com>
Cc: "galiza danilo gwa" <dgaliza@mail.gov.gu>; <amarquez@guamepa.govguam.net>; <clund@guamepa.govguam.net>; "Carlos taitano GWA" <carlost@mail.gov.gu>
Sent: Wednesday, July 24, 2002 2:39 AM
Subject: Drinking Water Grant Applications/Projects

Prudencio---Thanks for the e-mail. Looks like things are getting back to normal.

Below is copy of what I have been trying to send to you and Danny Galiza regarding the Special Appropriation grant application ($485,000 for upgrade of groundwater chlorination systems) you guys sent in. I discussed briefly with Danny a while ago shortly after the typhoon but he was busy with putting together typhoon assessments.

Special Appropriation Application: I have completed my Fund Recommendation (this is what I do to send to our grant management office to initiate the award documents) as far as I can but need the below info to complete. I also have the money ready for commitment for the award.

"I got a copy of the grant application package for the above reference project. I will begin putting together my funding recommendation for this project. However, I have a few comments on the application package. One is the "start" and "ending" dates on the application form. It shows a project period starting on 8/01/02 and ending 3/31/03. This seems very optimistic to me. Second, and related, is that the application package didnot include a SOW laying out exactly which GW Chlorination systems of the A, D and Y series will be upgraded and an action plan schedule for the design and construction phases. Will you be able to upgrade all of the A, D and Y series chlorination systems with the $485,000? If not, which ones will be upgraded? The application package also didn't include a clearinghouse approval. Wouldn't this project require a clearinghouse approval?

I need to have these items addressed to complete my funding recommendation and the grant application package."

Deep Well Project: If I remember correctly from the Palau meetings GWA/GEPA need to come to agreement on a final scope for the water transmission line. The Deep Well Rehabilitation project will be broken into two separate projects (Deep Wells and Transmission Line). A change in scope needs to be provided for the Deep Well Grant project which we just recently awarded to change it to a "Water Transmission Line" project. The Priority List needs to be amended for inclusion of the Water Transmission Line project and reprioritization and deep well series projects. Water Transmission Line project needs to be on the priority list inorder for me to approve the change in scope and funding for this project. Based on the meeting discussions, the deep well

rehabilitation projects may actually be well replacements which would be more costly to perform. Therefore, when reprioritizing you may want to think about how to group the well series given that the annual EPA grant funds will average about $675,000 per year.

Santa Rita Project: Below is a copy of an e-mail to Danny that I'm not if it got through.

"I'm glad that you were able to make it to the conference and we had time to discuss the SOWs for the projects. The SOW for the Santa Rita project looks fine and as we discussed. I assume the cost estimates are still the same as what you proivded us in Palau? Increase of $171,834.00? Also, is the Action Plan for Project Implementation (June 21, 2002) schedule you gave us still good? If not, please provide a revised "Action Plan" schedule.

I will give a formal approval of the SOW once I hear back from you."

So as things get back to normal we need to work on these areas, especially the additional info for the Special Appropriation grant....need to get this awarded and to our Grant Management Office as soon as reasonably possible given the post typhoon efforts.

I will be calling GWA to start the weekly conference calls today. If you have any questions, please let me know.

Mike
Guam Project Officer
Ph: 415-972-3769
Fax: 415-947-3560

GUAM WATERWORKS AUTHORITY
Aturidåt Kinalamten Hånom Guåhan
Post Office Box 3010, Hagåtña, Guam 96932
Phone: (671) 479-7861/7886 Fax: (671) 649-0158

SEP 03 2002

Mr. Michael Lee, CMD-5
Office of the Pacific Insular & Native American Projects
U.S. Environmental Protection Agency, Region IX
75 Hawthorne Street, San Francisco, CA 94105

Ref: Tai Mangilao Sewage Overflow (Initial Notification Tuesday 8/27/02)

Dear Mr. Lee:

This is the final report regarding the recent Tai Mangilao SPS overflow that occurred on Tuesday, August 27, 2002.

At approximately 1:30 p.m., Tuesday afternoon, the central roving crew responded to a sewage overflow report at this station. They discovered that both the dry and wet pits were filled with sewage. Because the contractor had just finished working on the pumps earlier that same day, they were immediately contacted and informed of the situation.

The contractor discovered a broken bleeder pipe, which caused the dry pit to fill with sewage. The broken pipe consequently resulted in an air lock of the remaining operating pump. The pipe was replaced within two hours of discovery and the station placed back in operation.

We estimate the sewage spill to be approximately 54,000 gallons. A total of 5 sewage-pumping trucks were at the site within two hours of discovery, thereby preventing further sewage spills from the station.

GWA remains diligent in its effort to prevent sewage overflows. If you should have any questions regarding this matter, please do not hesitate to call the Wastewater Division at (671) 479-7886.

Sincerely,

GIL A. SHINOHARA
Acting General Manager

cc: Administrator, GEPA
AGMA
Laboratory
Engineering, Wastewater CIP
Wastewater Division

GUAM WATERWORKS AUTHORITY
Government of Guam
Post Office Box 3010, Hagåtña, Guam 96932
Phone: (671) 479-7808/7823 Fax: (671) 479-7879

SEP 03 2002

Mr. Michael Lee, CMD-5
Office of the Pacific Insular & Native American Projects
U.S. Environmental Protection Agency, Region IX
75 Hawthorne Street, San Francisco, CA 94105

Ref: New Chaot Force Main Damage - Overflow (Initial Notification Wed. 8/28/02)

Dear Mr. Lee:

This is the final report regarding the recent New Chaot SPS 20-inch force main overflow that occurred on Wednesday August 28, 2001.

At approximately 12:00 p.m., Wednesday afternoon, the central roving crew responded to a sewage overflow report along Route 4 in the vicinity of the New Chaot SPS. They discovered a ground depression, which had sewage coming out of the ground with each cycle of the nearby New Chaot SPS. An excavation of the site exposed a severe crack running the entire length of 20-inch force main line.

Due to the nature of the damage and its close proximity to other utility infrastructure, including the existing Old Chaot SPS force main, GWA has decided to contract out the needed repairs.

We estimate the sewage spill to be minimal since the New Chaot SPS was immediately secured after the initial determination that the force main was causing the overflow.

The GWA remains diligent in its effort to prevent sewage overflows. If you should have any questions regarding this matter, please do not hesitate to call the Wastewater Division at (671) 479-7886.

Sincerely,

GIL A. SHINOHARA
Acting General Manager

cc: Administrator, GEPA
AGMA
Laboratory
Engineering, Wastewater CIP
Wastewater Division

GUAM WATERWORKS AUTHORITY
Aturidat Kinalamten Hanom Guahan
Government of Guam
Post Office Box 3010, Hagåtña, Guam 96932
Phone: (671) 479-7808/7823 Fax: (671) 479-7879

AUG 13 2002

Michael Lee
Project Officer
Office of Pacific Insular & Native American Projects
U.S. Environmental Protection Agency, Region IX
75 Hawthorne Street, San Francisco, CA 94105

Subject: Special Appropriation Grant Application $485,000.00

Dear Mr. Lee:

Transmitted herewith is the Guam Clearinghouse document and the identification of deep wells as requested.

For additional information please contact Prudencio Aguon at (671) 479-7605/7809 or email him at encho@hotmail.com.

Sincerely,

GIL A. SHINOHARA
Acting General Manager

DEEP WELLS WITHOUT WATER TREATMENT SYSTEMS:

1. A-2
2. A-7
3. A-10
4. A-12
5. A-13
6. A-17
7. A-21
8. A-23
9. A-26
10. A-29

DEEP WELLS WITH EXISTING WATER TREATMENT SYSTEMS THAT NEED TO BE REHABILITATED:

1. A-1
2. A-3
3. A-4
4. A-5
5. A-6
6. A-8
7. A-9
8. A-14
9. A-15
10. A-18
11. A-19
12. A-25
13. A-28
14. A-30
15. A-31

J-02-057

OFFICE OF THE GOVERNOR
GUAM

RECEIVED
AUG 05 2002

RECEIVED
JUL 25 2002
GOVERNOR'S OFFICE
CENTRAL FILES

Memorandum

To: Governor

From: Chairperson, Clearinghouse Committee

Subject: Clearinghouse Application: GUAM WATERWORKS AUTHORITY
GSC02-70 Rehabilitation replace, and installationof water disinfection system in deep wells A-series, D-series, Y-series.

The Guam State Clearinghouse Committee makes the following recommendation concerning this application.

- ☐ Reviewed and Approved
- ☒ Approved with the Enclosed Comments/Amendments/Conditions
- ☐ Disapproved with the Enclosed Comments
- ☐ Action withheld pending Resolution of Attached Comments

Please acknowledge the Project Notification and Review Signoff Form attached with Clearinghouse documents. Thereafter, documents should be forwarded to the Bureau of Budget for transmittal.

Madeleine Z. Bordallo
MADELEINE Z. BORDALLO

Attachments

GUAM WATERWORKS AUTHORITY
Government of Guam
Post Office Box 3010, Hagåtña, Guam 96932
Phone: (671) 479-7808/7823 Fax: (671) 479-7879

Ms. Lynda B. Aguon
Guam State Historic Preservation Officer
Department of Parks and Recreation
Government of Guam
P.O. Box 2590
Hagatna, Guam 96910

SUBJECT: Historic Preservation Office Clearance

Dear Ms. Aguon:

The Guam Waterworks Authority is pursuing a grant through the United States Environmental Protection Agency under the appropriations grant for upgrades to groundwater treatment systems. All work will be done on existing deep well sites and Guam Waterworks Authority does not anticipate any construction relating to this project.

As a requirement, your office must approve clearance. This clearance is relative to 36 CFR Part 800 – protection of Historic Properties and Section 106 of the National Historic Preservation Act.

Please indicate your concurrence below. Should you have any questions, please contact Mr. Prudencio Aguon at 479-7605/7809.

GIL A. SHINOHARA
Acting General Manager

LYNDA B. AGUON
Acting, Guam Historic Preservation Officer

6/21/02
DATE

Approved (X) Disapproved ( )

BUREAU OF PLANNI G
SETBISION MAMPLANEHA
Government of Guam

Carl T.C. Gutierrez
Governor of Guam

Madeleine Z. Bordallo
Lieutenant Governor

P.O. Box 2950 Hagåtña, Guam 96932
Tel: (671) 472-4201/3
Fax: (671) 477-1812

Isabel D.S.A. Luj
Acting Directo

RECEIVED
BIB/MPR
JUL 2 5 2002
CB

JUL 25 2002

MEMORANDUM

To: Chairperson, Guam State Clearinghouse

From: Director, Bureau of Planning

Subject: Guam Waterworks Authority's Grant Application for FY 2003; Guam State Clearinghouse # GSC02-070

The Guam Waterworks Authority (GWA) is requesting $485,000.00 in federal funding from the U.S. Environmental Protection Agency to provide for the rehabilitation, replacement, and or installation of water disinfection systems in deep wells A-series, D-series, Y-series. No local funds will be requested.

Funds from the grant will be used to adequately equip over 14 different wells with water disinfection systems and bring them to comply with the Guam Safe Drinking Water Act, as amended, 10 Guam Code Annotated (GCA) Chapter 53 and meet the USEPA Safe Drinking Water Standards. If any available funds remain other wells will be restored.

The Bureau finds this grant application to be consistent with the Guam Coastal Management Program's (GCMP) development and resource policies. The Bureau also finds this proposal to be consistent with the Guam's goals and objectives to continue the promotion and implementation of its environmental programs with major emphasis on environmental protection, enforcement, and public service within the Island of Guam.

In light of the above findings, the Bureau recommends Guam State Clearinghouse approval.

ISABEL D. S.A. LUJAN
Acting

BUREAU OF BUDGET & MANAGEMENT RESEARCH

OFFICE OF THE GOVERNOR
Post Office Box 2950, Hagåtña Guam 96932

CARL T.C. GUTIERREZ
GOVERNOR

MADELEINE Z. BORDALLO
LIEUTENANT GOVERNOR

PAUL D. LEON GUERRERO
DIRECTOR

JUN 26 2002

Memorandum

To: Chairperson, Guam State Clearinghouse

From: Director, Bureau of Budget and Management Research

Subject: Surveys, Studies, Investigations and Special Purpose Grants; CFDA 66.606

Transmitted herewith are the Bureau's clearinghouse comments on the subject request. A total amount of $485,000 is being requested in 100% federal funds under the USEPA Surveys, Studies, Investigations and Special Purpose Grants. There is no local match requirement for the aforementioned grant application.

Grant funds will be used to rehabilitate, replace, and or install water disinfection systems in deep well A-series, D-series, and Y-series located througout the villages of Hagatna, Sinajan, Dededo, and Yigo. This will bring the wells into compliance with the Guam Safe Drinking Water Act and USEPA safe drinking water standards.

It should be noted that indirect cost computations are not included as Guam Waterworks Authority is not part of the Government of Guam's proposed FY2002 Indirect Cost Negotiation Agreement. Based on the foregoing, the Bureau recommends Clearinghouse approval with the above noted concerns.

PAUL D. LEON GUERRERO

Attachement(s)

BBMR C-3

BUREAU OF BUDGET AND MANAGEMENT RESEARCH

MEMORANDUM

JUN 20 2012

To: Chairperson, Guam State Clearinghouse

From: Director, Bureau of Budget and Management Research

Subject: Clearinghouse Comments on: Surveys, Studies, Investigations and Special Purpose Grants; CFDA 66.606

I. Programmatic Impact

(a) Briefly discuss the objective of the request.
Federal funds will be used for the rehabilitation, replacement, and or installation of water disinfections systems in deep wells A-series, D-series, and Y-series.

(b) Is the objective consistent with Guam's Master Plans or rules, regulations or laws? If not, please explain.
Yes.

(c) Is the application for:

(X) New program
( ) Continuing program
( ) Modification (continuing or new program)
( ) Loan application
( ) An intent to apply
( ) Other (specify)

(d) If the program is continuing, has there been an evaluation on the previous years' program? If yes, was the evaluation positive or negative?
N/A.

(e) Does the application duplicate existing programs?
No.

(f) Is/are the Clearinghouse form(s) properly filled? If not, please explain.
Yes.

(g) Who is to be served? How many people?
The population of the following villages: Hagatna, Sinajana, Dededo, and Yigo.

II. **Funding Impact:**

(a) **Local:** **Federal:** $485,000
In-Kind: **Funding Ratio:** *100% Federal*

(b) **Does the application have a budget breakdown?**
Yes.

(c) **Does the application have an indirect cost computation?**
No.

(d) **Is the budget computation correct? Is the computation consistent with local prevailing rates?**
Yes.

(e) **The method of funding is:**
Single Letter of Credit (SLOC)
Treasury Check
Other (specify) Electronic Funds Transfer

If the program is continuing and uses SLOC, is the department current in its expenditure reporting?
N/A.

(f) **Are the salary levels of the position(s) being requested consistent with the Civil Service compensation plan?**
N/A.

III. **Other Remarks:**

1. GWA is not covered in the proposed FY 2002 Indirect Cost Negotiation Agreement.

IV. **Recommendation:**

( ) **Approval** (X) **Approval with noted concerns under Item III**
( ) **Disapproval** ( ) **Conditional approval (See Item III)**

6/21/02 **PAUL D. LEON GUERRERO**

GUAM STATE CLEARINGHOUSE
OFFICE OF THE LIEUTENANT GOVERNOR
AGANA, GUAM

Date Received: _____
Date Reviewed: _____
Date Approved: _____
(By Governor)

PROJECT NOTIFICATION AND REVIEW SIGNOFF

Clearinghouse Number: GSC02-70

Applicant Project Title: Rehabilitation, replace, and or, installation of water disinfection system in deep wells A-series, D-series, Y-series.

Local Administering Agency/Organization: Guam Waterworks Authority

Federal Program Title and Catalog Number: 66-606

Federal Agency/Grantor: United States Environmental Protection Agency

Agency Address: Pacific Islands Office (PMD-5) Cross Media Division, U.S Environmental Protection Agency, 75 Hawthorne Street San Francisco, CA 94105-3901.

Amount of funds Requested: **Federal $** 485,000.00 **Local $** _____

Project Description: Rehabilitation, replace, and or installation of water disinfection system in deep wells A-series, D-series, Y-series.

The Guam State Clearinghouse makes the following recommendation concerning this application.

- [ ] **Reviewed & Approved**
- [x] **Approved with the Enclosed Comments/Amendments/Conditions**
- [ ] **Disapproved with the Enclosed Comments**
- [ ] **Action Withheld Pending Resolution of Attached Comments**

Recommendation:

- [x] **Approved**
- [ ] **Disapproved**

ATTESTED:

for PAUL D. LEON GUERREZO
Director, Bureau of Budget and Management Research

Date: _____

CARL T.C. GUTIERREZ
Governor of Guam

Date: 8.1.02

MADELEINE Z. BORDALLO
Lieutenant Governor

Date: 7/25/02

CHE(1) 11/90

OFFICE OF THE LT. GOVERNOR
GUAM STATE CLEARINGHOUSE
AGANA, GUAM

PROJECT NOTIFICATION AND REVIEW SYSTEM
Notification of Intent to Apply for Federal Assistance

1)	**Applicant Department** Guam Waterworks Authority	2)	**Division** Planning/Real Property

3)	**Applicant Address**	**Street**	**City**	**Zip Code**
	P.O. Box 3010	Agana	Guam	96932

4)	**Contact Person**	**Phone**	**Extension**
	Prudencio F. Aguon	(671) 479-7810	

5)	**Federal Funds**		6)	**Non-Federal Matching Funds**	
	a) **Grant**	b) **Other**	c) **Local**	d) **Other**	
	$485,000	0	0	0	
	e) **In-Kind** (Specify)		f) **Total Funds**		
	0		$485,000		

7)	**Program Title** Groundwater Disinfection System Grant	8)	**Federal Domestic Catalog Number** **Public Law No. and Title** 66-606

9)	**Federal Agency Name** United States Environmental Protection Agency	10)	Pacific Islands Office (PMD-5) Cross Media Division U.S. Environmental Protection Agency, 75 Hawthorne Street San Francisco, CA 94105-3901

11) **Type of Application:**

New Grant X **Continuing Grant** _____ **Supplemental Grant** _____

Since: _____

12) **Has Federal funding Agency been notified?**

YES X _____

13) **What Fiscal Year will this program be implemented?**

FY 2003

14) **If project includes local funding, identify source.**

N/A

15) **Is this program:**

Budgeted _____ or **Non-Budgeted** X

16) **Will this program require hiring of new employees?**

YES _____ NO X NUMBER _____

17) **Will this program require maintenance of effort?**

YES _____ NO X $ _____

18) **Funding Method:**

	FEDERAL SHARE	STATE SHARE	TOTAL
First Year	% 100 $ 485,000	% _____ $ _____	% 100 $ 485,000
Second Year	% _____ $ _____	% _____ $ _____	% _____ $ _____
Third Year	% _____ $ _____	% _____ $ _____	% _____ $ _____
Fourth Year	% _____ $ _____	% _____ $ _____	% _____ $ _____
Fifth Year	% _____ $ _____	% _____ $ _____	% _____ $ _____

19) **Project Title(s) Under the Grant**

Rehabilitation, replace and or, installation of water disinfection system in deep wells A-series, D-series, and Y-series.

20) **Project Location**

Hagatna, Sinajana, Dededo, Yigo

21) **Summary Project Description (Attach Supporting Documents as Necessary)**

Rehabilitation, replace, and or, installation of water disinfection system in deep wells A-series, D-series, Y-series.

22) **Does this application require an Environmental Impact Statement?**

YES _____ NO X

23) **Will this application conflict with any existing local law?**

YES _____ NO X

24) **List the departments or agencies that would be affected by this application.**

Guam Waterworks Authority

25) **Is enabling legislation required?**

YES _____ NO X

26) **REMARKS**

Submitted and approved by:

Gil A. Shinohara
Acting General Manager

JUN 14 2002
Date

GUAM WATERWORKS AUTHORITY
Government of Guam
Post Office Box 3010, Hagåtña, Guam 96932
Phone: (671) 479-7823/7808 Fax: (671) 479-7879

RECEIVED
BBHC
JUN 14 2002
9:10

JUN 13 2002

MEMORANDUM

TO: Jesus T. Salas, Administrator
Guam Environmental Protection Agency

FROM: Acting General Manager

SUBJECT: Grant Application Certification

Enclosed herewith for your review and certification are grant applications for the enhancement of production wells along Agana, Agana Heights, Sinajana and Ordot area by providing adequate disinfections systems. It is known that many of these deep wells have been identified on the "Notice of Violation", dated August 17, 2000 and are in dire need of rehabilitation. Guam Waterworks Authority is confident that this project will enable the agency to comply with the Safe Drinking Water Act.

Your expeditious approval to the attached Guam Waterworks Authority grant application is greatly appreciated.

Should you have any questions or need additional information please contact Mr. Prudencio Aguon at 479-7605/7809.

GIL A. SHINOHARA

GUAM WATERWORKS AUTHORITY

Government of Guam
Post Office Box 3010, Hagåtña, Guam 96932
Phone: (671) 479-7823/7808 Fax: (671) 479-7879

JUN 14 2002

Elizabeth Stahl, Project Officer
Pacific Islands Office (PMD-5)
Cross Media Division
U.S. Environmental Protection Agency
75 Hawthorne Street
San Francisco, CA 96105-3901



SUBJECT: Grant Application for Groundwater Treatment System

Attached is Guam Waterworks Authority's grant application for the enhancement and installation of water treatment system within the subject deep wells under the United States Environmental Protection Agency appropriation for upgrades to groundwater treatment systems.

Should there be any questions or comments, please contact Mr. Prudencio Aguon from our Planning Division at (671)479-7605/7809 or E-mail at encho@hotmail.com.

GIL A. SHINOHARA
Acting General Manager

Transmission Repor

Date/Time 8- 9-02; 1:06PM
Local ID 6716490158
Local Name G. W. A GENERALMANAGER
Company Logo G. W. A GENERAL MANAGER OFFICE.

This document was confirmed.
(reduced sample and details below)
Document Size Letter-S

GUAM WATERWORKS AUTHORITY
Aturidåt Kinalamten Hånom Guåhan
Post Office Box 3010, Hagåtña, Guam 96932
Phone: (671) 479-7823/7803
Fax: (671) 479-7879

FAX TRANSMITTAL COVER SHEET

Transmittal Date: 8/09/2002 Transmittal Time:
From: PRUDENCIO AGUON
Title: Planner Division: Planning
Subject & Message: Mike, the only thing missing is the identification of the wells. I will get that later today, hope fully.

To: Mike Lee Title: PROJECT OFFICER
Company: US EPA Location:
Fax No.: 415-947-3560

Number of pages - this page inclusive: 14

Should any or all of your copies be not legible or incomplete, please contact the undersigned at the numbers listed above.

Transmitted by: PRUDENCIO AGUON
Please Print

Initial when completed

Total Pages Scanned : 14 Total Pages Confirmed : 14

.	Doc	Remote Station	Start Time	Duration	Pages	Mode	Comments	Results
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es :
Error Correct
Broadcast Send
Completed
Host Scan
Host Fax

RE: Resend
MP: Multi-Poll
RM: Receive to Memory
HP: Host Print
HR: Host Receive

PD: Polled by Remote
PG: Polling a Remote
DR: Document Removed
FO: Forced Output
FM: Forward Mailbox Doc.

MB: Receive to Mailbox
PI: Power Interruption
TM: Terminated by user
WT: Waiting Transfer
WS: Waiting Send

APPLICATION FOR FEDERAL ASSISTANCE

OMB Approval No. 0348-0

2. DATE SUBMITTED	Applicant Identifier
3. DATE RECEIVED BY STATE	State Application Identifier
4. DATE RECEIVED BY FEDERAL AGENCY	Federal Identifier

1. TYPE OF SUBMISSION:

Application: ☐ Construction ☒ Non-Construction

Preapplication: ☐ Construction ☐ Non-Construction

5. APPLICANT INFORMATION

Legal Name: Guam Waterworks Authority

Organizational Unit: Office of the General Manager: Planning Division

Address *(give city, county, State, and zip code)*:
P.O. Box 3010
Hagatna, Guam 96932

Name and telephone number of person to be contacted on matters involvir this application *(give area code)*
Prudencio Aguon (671)479-7605
encho@hotmail.com (671)479-7879 fax

6. EMPLOYER IDENTIFICATION NUMBER *(EIN)*:
66 – 0540236

7. TYPE OF APPLICANT: *(enter appropriate letter in box)* N

A. State
B. County
C. Municipal
D. Township
E. Interstate
F. Intermunicipal
G. Special District
H. Independent School Dist.
I. State Controlled Institution of Higher Learning
J. Private University
K. Indian Tribe
L. Individual
M. Profit Organization
N. Other (Specify) Territory

8. TYPE OF APPLICATION:

☒ New ☐ Continuation ☐ Revision

If Revision, enter appropriate letter(s) in box(es) ☐ ☐

A. Increase Award B. Decrease Award C. Increase Duration
D. Decrease Duration Other *(specify)*:

9. NAME OF FEDERAL AGENCY:
U.S. Environmental Protection Agency

10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER:
66 – 606

TITLE:

11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT:
Replace, or rehabilitation of water disinfection system in deep wells: A-series, D-series, Y-series,

12. AREAS AFFECTED BY PROJECT *(Cities, Counties, States, etc.)*:
Sinajana, Hagatna, Agana Heights, Chalan Pago

13. PROPOSED PROJECT

Start Date: 8/01/2002 Ending Date: 03/31/2003

14. CONGRESSIONAL DISTRICTS OF:

a. Applicant: Guam – 00

b. Project: Guam

15. ESTIMATED FUNDING:

a. Federal	$ 485,000.00
b. Applicant	$ 0.00
c. State	$ 0.00
d. Local	$ 0.00
e. Other	$ 0.00
f. Program Income	$ 0.00
g. TOTAL	$ 485,000.00

16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS?

a. YES. THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON:

DATE _____

b. No. ☐ PROGRAM IS NOT COVERED BY E. O. 12372
☐ OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW

17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT?

☐ Yes If "Yes," attach an explanation. ☒ No

18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT, THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED.

a. Type Name of Authorized Representative	b. Title	c. Telephone Number
Gil A. Shinohara	Acting, General Manager	(671) 479-7823

d. Signature of Authorized Representative

e. Date Signed: JUN 14 2002

Previous Edition Usable
Authorized for Local Reproduction

Standard Form 424 (Rev. 7-97)
Prescribed by OMB Circular A-102

WORK PLAN: Disinfection System for Deep Wells

Background

Guam waterworks Authority (GWA) is a publicly owned water system with a PWS identification number GU0000006 for its Northern Water System. GWA operates a total of 110 producing deep wells in the northern water system producing 30 million gallons of water per day (mgd). According to GWA records the northern system currently has 37,184 service connections located within or being served. Guam's average household is approximately 3.8, taken directly from the 2000 U.S. Census, this translates roughly to over 100,000 people located within the northern system. The importance of Guam's northern water system compelled GWA and Guam Environmental Protection Agency (GEPA) to include many of the northern water system projects into the "Guam Safe Drinking Water Facilities Improvements Plan"(Please see attachment). Working closely with GEPA engineers, GWA staff included numerous projects located within the northern water system including the "Rehabilitation of the A-Series deep-wells." Many if not all of the A-Series deep wells are located in the central part of the island including the villages of Sinajana, Hagatna and Ordot Chalan Pago. This project is also ranked number four in the priority list of projects in the facilities plan and is next in line for funding. Incidentally, there are D-series and MJ-series included with the A-series project within that priority listing. Both series may be included if funding permits. GWA staff assumes that funding is limited to $485,000.

Currently, most wells are either fitted with chlorination systems which are proving to be both hazardous and expensive, or those that do not have any water disinfection system in place (Please see attachment). A Number of wells are located within 100 feet of schools and public buildings, which poses a health risk for surrounding people and a liability to GWA. It probably would be in the best interest of the public to install alternatives to chlorine systems within these areas or replace dilapidated chlorine systems with alternatives. Chlorine systems may be acceptable to GWA although a greater margin of safety must be ensured, again due to dangers of storing chlorine cylinders in close proximity to nearby populations. Additionally, providing alternatives to chlorine treatment may eliminate or minimize potential risks associated with an act of terrorism in regards to chlorine leaks. By eliminating any need to store chlorine cylinders in wells nearby population, the risks associated with an act of terrorism would be minimized.

In August 17, 2000, GWA receive a Notice of Violation (NOV) and order of Compliance (OC) from GEPA due to water samples testing positive for total and fecal coliform in wells A-5, A-6, Y-3, F-13, D-22. Although GWA is complying with many of the orders outlined, wells which do not have existing disinfection systems prevent GWA from complying in whole.

Project Goals

The project will adequately equip wells A3, A5, A6, A23, A30, A31, Y3, F13, D4, D7, D19,D22, F13,and MJ1 with water disinfection systems and would bring them to comply with the Guam Safe Drinking Water Act, as amended , 10 Guam Code Annotated (GCA) chapter 53 and meets the USEPA safe drinking water standards. In addition to the above wells, if funds are sufficient additional wells that lack disinfection systems will be included. The implementation and completion of the projects are crucial to the enhancement of production wells along Agana, Agana Heights, Sinajana and Ordot by providing adequate water treatment which have recurring problems associated with testing positive for fecal coliform traces.

Project Objectives

- Obtain award notice by September 30, 2001
- Prepare Request for Proposal for "Design and build"and advertise on the Newspaper
- Obtain most qualified bidder based on established criteria
  - Demonstrates that the chemical used in the water disinfection system provides a high level of safety, enabling the storage near or around public buildings.
  - Disinfection system is approved by GEPA & USEPA and complies with established standards.
  - Demonstrates that the firm is able to train GWA personnel in the operation and maintenance of the system
- Performance measures will be instituted in the contract with regards to the effectiveness of the system.
  - Evaluation of the water treatment system will be performed using sampling techniques frequently enough as to ensure proper treating capabilities.

DETAILED ITEMIZED BUDGET

Personnel- GWA is not requesting reimbursement of time spent by GWA staff.

Fringe Benefits- GWA is not requesting reimbursement of fringe benefits on staff.

Travel – GWA is not requesting reimbursement for any costs GWA may incur due to travel related to this project.

Equipment – GWA is not anticipating purchasing any equipment as part of this project.

Supplies – GWA is not anticipating purchasing any supplies as part of this project.

Contractual

Design and build	498,000.00
Total Contractual	498,000.00

Other – GWA does not anticipate requesting reimbursement on any other costs.

Indirect Charges – GWA is not requesting reimbursement for any project charges.

BUDGET INFORMATION - Non-Construction Programs

OMB Approval No. 0348-0044

SECTION A - BUDGET SUMMARY

Grant Program Function or Activity (a)	Catalog of Federal Domestic Assistance Number (b)	Estimated Unobligated Funds		New or Revised Budget		
		Federal (c)	Non-Federal (d)	Federal (e)	Non-Federal (f)	Total (g)
1 ground water Treatment Systm	66.606	$ 485,000.00	$	$	$	$ 485,000.00
2.						
3.						
4.						
5. Totals		$ 485,000.00	$	$	$	$ 485,000.00

SECTION B - BUDGET CATEGORIES

6. Object Class Categories	GRANT PROGRAM, FUNCTION OR ACTIVITY (1)	(2)	(3)	(4)	Total (5)
a. Personnel	$	$	$	$	$
b. Fringe Benefits					
c. Travel					
d. Equipment					
e. Supplies					
f. Contractual	485,000.00				485,000.00
g. Construction					
h. Other					
i. Total Direct Charges *(sum of 6a-6h)*	485,000.00				485,000.00
j. Indirect Charges					
k. TOTALS *(sum of 6i and 6j)*	$ 485,000.00	$	$	$	$ 485,000.00
7. Program Income	$ 0	$ 0	$ 0	$ 0	$ 0

Previous Edition Usable

Authorized for Local Reproduction

Standard Form 424A (Rev. 7-97)
Prescribed by OMB Circular A-102

SECTION C - NON-FEDERAL RESOURCES

(a) Grant Program	(b) Applicant	(c) State	(d) Other Sources	(e) TOTALS
8.	$	$	$	$
9.				
10.				
11.				
12. TOTAL *(sum of lines 8-11)*	$	$	$	$

SECTION D - FORECASTED CASH NEEDS

	Total for 1st Year	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
13. Federal	$ 485,000.00	$ 485,000.00	$	$	$
14. Non-Federal	0				
15. TOTAL *(sum of lines 13 and 14)*	$ 485,000.00	$ 485,000.00	$	$	$

SECTION E - BUDGET ESTIMATES OF FEDERAL FUNDS NEEDED FOR BALANCE OF THE PROJECT

(a) Grant Program	FUTURE FUNDING PERIODS (Years)			
	(b) First	(c) Second	(d) Third	(e) Fourth
16.	$	$	$	$
17.				
18.				
19.				
20. TOTAL *(sum of lines 16-19)*	$	$	$	$

SECTION F - OTHER BUDGET INFORMATION

21. Direct Charges: none

22. Indirect Charges:

23. Remarks:

KEY PEOPLE LIST

Please show street address as well as Post Office Box Number where applicable.

AGENCY DIRECTOR

(Individual who is authorized to sign the assistance agreement application and award acceptance).

Name: Gil A. Shinohara
Title: Acting, General Manager
Address: P.O. Box 3010
Hagatna, Guam 96932

Telephone: (671) 479-7823

PROGRAM DIRECTOR

(Technical program director; generally the same individual as the "contact person" in block #5 of the application).

Name: Prudencio F. Aguon
Title: P.O. Box 3010
Address: Hagatna, Guam 96932

Telephone: (671) 479-7809/7605

FINANCE DIRECTOR

(This is the person who is responsible for (1) maintaining the accounting/financial management system supporting grant expenditures; (2) preparing financial reports; and (3) maintaining the Letter of Credit. If any of these responsibilities are located in another office, please so indicate by showing below the name(s), title(s) organization name(s), address and telephone.)

Name: Zeny Levitch (Nace)
Title: Controller (Accounting Division Manager)
Address: P.O. Box 3010
Hagatna, Guam 96932

Telephone: (671) 647-7602

OMB Approval No. 0348-00

ASSURANCES - NON-CONSTRUCTION PROGRAMS

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0040), Washington, DC 20503.

PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

NOTE: Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the awarding agency. Further, certain Federal awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

As the duly authorized representative of the applicant, I certify that the applicant:

1. Has the legal authority to apply for Federal assistance and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project cost) to ensure proper planning, management and completion of the project described in this application.

2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the award; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.

3. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.

4. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.

5. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed standards for merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).

6. Will comply with all Federal statutes relating to nondiscrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee 3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and, (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.

7. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal or federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.

8. Will comply, as applicable, with provisions of the Hatch Act (5 U.S.C. §§1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.

EPA

EPA Project Control Number

United States Environmental Protection Agency
Washington, DC 20460

Certification Regarding
Debarment, Suspension, and Other Responsibility Matters

The prospective participant certifies to the best of its knowledge and belief that it and its principals:

(a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;

(b) Have not within a three year period preceding this proposal been convicted of or had a civil judgement rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

(c) Are not presently indicted for or otherwise criminally or civilly charged by a government entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and

(d) Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State, or local) terminated for cause or default.

I understand that a false statement on this certification may be grounds for rejection of this proposal or termination of the award. In addition, under 18 USC Sec. 1001, a false statement may result in a fine of up to $10,000 or imprisonment for up to 5 years, or both.

c/ Gil A. Shinohara, Acting, General Manager — JUN 14 2002

Typed Name & Title of Authorized Representative

Signature of Authorized Representative — Date

☐ I am unable to certify to the above statements. My explanation is attached.

EPA Form 5700-49 (11-88)

United States Environmental Protection Agency
Washington, DC 20460

EPA Preaward Compliance Review Report for All Applicants Requesting Federal Financial Assistance

FORM Approved
OMB No. 2090-0014
Expires 02-28-03

Note: Read instructions on reverse side before completing form.

I. A. Applicant (Name, City, State)	B. Recipient (Name, City, State)	C. EPA Project No.
Guam Waterworks Waterworks Auth Authority, Hagatna, Guam	Guam Waterworks Authority Hagatna, Guam	

II. Brief description of proposed project, program or activity.
The grant funds will be used to replace or rehabilitate water disinfection systems at deep-wells which are known to test positive for total fecal coliform.

III. Are any civil rights lawsuits or complaints pending against applicant and/or recipient? ☐ Yes ☒ No
If yes, list those complaints and the disposition of each complaint.

IV. Have any civil rights compliance reviews of the applicant and/or recipient been conducted by any Federal agency during the two years prior to this application for activities which would receive EPA assistance? ☐ Yes ☒ No
If yes, list those compliance reviews and status of each review.

V. Is any other Federal financial assistance being applied for or is any other Federal financial assistance being applied to any portion of this project, program or activity? ☐ Yes ☒ No
If yes, list the other Federal Agency(s), describe the associated work and the dollar amount of assistance.

VI. If entire community under the applicant's jurisdiction is not served under the existing facilities/services, or will not be served under the proposed plan, give reasons why. N/A

VII. Population Characteristics	Number of People
1. A. Population of Entire Service Area	131,000
B. Minority Population of Entire Service Area	120,000
2. A. Population Currently Being Served	131,000
B. Minority Population Currently Being Served	131,000
3. A. Population to be Served by Project, Program or Activity	131,000
B. Minority Population to be Served by Project, Program or Activity	120,000
4. A. Population to Remain Without Service	0
B. Minority Population to Remain Without Service	0

VIII. Will all new facilities or alterations to existing facilities financed by these funds be designed and constructed to be readily accessible to and usable by handicapped persons? ☐ Yes ☒ No
If no, explain how a regulatory exception (40 CFR 7.70) applies.
Authorized personnel will only be allowed at deep wells sites.

IX. Give the schedule for future projects, programs or activities (or of future plans), by which services will be provided to all beneficiaries within applicant's jurisdiction. If there is no schedule, explain why.
Please refer to attachment label "Guam facilities plan"

X. I certify that the statements I have made on this form and all attachments thereto are true, accurate and complete. I acknowledge that any knowingly false or misleading statement may be punishable by fine or imprisonment or both under applicable law.

A. Signature of Authorized Official	B. Title of Authorized Official	C. Date
	Gil A. Shinohara, Acting General Manager	JUN 14 2002

For the U.S. Environmental Protection Agency

☒ Approved ☐ Disapproved	Authorized EPA Official	Date

EPA Form 4700-4 (Rev. 1/90) Previous editions are obsolete.

CERTIFICATION REGARDING LOBBYING

Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, ``Disclosure Form to Report Lobbying,'' in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

Gil A. Shinohara, Acting General Manager JUN 14 2002

TYPED NAME & TITLE OF AUTHORIZED REPRESENTATIVE

SIGNATURE OF AUTHORIZED REPRESENTATIVE DATE

GUAM WATERWORKS AUTHORITY
Aturidat Kinalamten Hanon Guahan
Government of Guam
P.O. Box 3010, Agana, Guam 96932
Phone: (671) 479-7823 • Fax: (671) 479-7879

AUG 08 2002

Mr. Michael Lee, CMD-5
Office of the Pacific Insular & Native American Projects
U.S. Environmental Protection Agency, Region IX
75 Hawthorne Street, San Francisco, CA 94105

Subject: Raw Sewage Overflow (Notification 8/2/02)

Dear Mr. Lee:

This is an update of the recent sewage overflow into the Chaot River that occurred on Thursday August 1, 2002. The roving crew responding to a possible pump station failure at the in Chaot SPS discovered that the station was operating normally but the manhole below the Chaot Bridge was still overflowing. It was later determined that the incoming line to the old Chaot Station was clogged which caused the manhole to backflow into the river. Pumper trucks were utilized to flush and release the clog in the line.

A 24-hour manned stand-by at Chaot SPS was started to collect data and verify the actual cause of the overflow. During the first 24-hour observation, overflows continued from the same manhole during peak hours. Our final determination is that the overflows occurring at the manhole under the bridge were not from the pump station but that of the incoming line to the station. After several discussions with my staff, we have concluded that we would either have to upgrade the size of the incoming line or provide an additional line to relieve the overtaxed 10-inch line. GWA's wastewater operations and engineering staff are currently working closely with Domingo Cabusao to identify the most viable remedy for this problem and to identify possible funding sources for this much-needed project.

We are not able to calculate the amount of sewage spilled into the Chaot River due to the nature of the spill.

If you should have any question regarding this matter, please do not hesitate to call the Wastewater Division at 671-479-7886.

Sincerely,

GIL A. SHINOHARA
Acting General Manager

cc: Administrator, GEPA
AGMO, GWA
WW Division
Lab, GWA

GUAM WATERWORKS AUTHORITY
Aturidat Kinalamten Hanon Guahan
Government of Guam
P.O. Box 3010, Agana, Guam 96932
Phone: (671) 479-7823 • Fax: (671) 479-7879



AUG 07 2002

Mr. Michael Lee, CMD-5
Office of the Pacific Insular & Native American Projects
U.S. Environmental Protection Agency, Region IX
75 Hawthorne Street, San Francisco, CA 94105

Re: Final Report - Raw Sewage Overflows and Spills
(Typhoon Chata'an Update)

Dear Mr. Lee:

As you are already aware of, Typhoon Chata'an hit Guam on July 5 and caused an island wide power outage. Although, our facilities received minor damage the typhoon left some of our pump stations without emergency generation power to run the stations. Emergency generators from either FEMA or the Guam Power Authority where eventually provided to run the stations identified as having either no or non-operating generators. To date, only FEMA 96", Cabras Island and Namo sewer pump stations are still on emergency generator power.

The Santa Ana SPS sewage overflow (initial notification 11:00 p.m., July 19, 2002) has been corrected. A burnt out motor had caused the overflow. We estimate the spill at over 200,000 gallons.

Attached, is the most recent update of the status of our facilities covering the sewage spills that occurred as a result of the recent typhoons. Because of the sporadic power outages and water supply in the island-wide water distribution system, we are not able to provide the estimated gallons of sewage spilled from our facilities or their collection systems.

If you should have any questions regarding this matter, please do not hesitate to contact the Wastewater Division at (671) 479-7886.

GIL A. SHINOHARA
Acting General Manager

cc: Administrator, GEPA
AGMA, GWA
WW Division
Laboratory

GUAM WATERWORKS AUTHORITY
Government of Guam
Post Office Box 3010, Hagatna, Guam 96932
Phone: (671)479-7823 Fax: (671)479-7879

JUL 18 2002

Michael Lee, CMD-5
EPA Project Officer
Office of Pacific Island and Native
American Programs
U. S. Environmental Protection Agency
Region IX
75 Hawthorne Street
San Francisco, CA 94105

Re: Reimbursement Request

Hafa Adai Mr. Lee:

Transmitted herewith are Reimbursement Requests No. 37, 38, 39 and 40 for the construction and construction management of Chaot/Marine Drive Sewer Relief Sewer Project C 660010-240. Pertinent supporting documents are enclosed for your record.

RR # 37	$17,761.00	September 2001
RR # 38	$ 3,893.73	October 01, 2001 to October 30, 2001
RR # 39	$ 27,608.33	November 01, 2001 to November 30, 2001
RR # 40	$ 8,384.00	December 01, 2001 to December 31, 2001

Should you have any questions, please feel free to call our Engineering Division, Mr. Nardo N. Navasca, Project Manager, CIP Sewer Section at (671) 479-7868.

Your early processing of these Reimbursement Requests is appreciated

Sincerely,

GIL A. SHINOHARA
Acting General Manager

Enclosures

Michael Lee

10/23/2002 09:42 AM

To: carlos@mail.gov.gu
cc:
Subject: Request for Desgin Firm Qualifications: Chlorination System and Santa Rita BPS Projects

Carlos,

As per our conversation on 10/17/02 we requested copies of the qualifications forms submitted by design firms for the above referenced EPA funded projects. Our request was to provide GWA with technical assistance on review of design firm qualifications for these EPA funded projects. This is to inform you that we are in receipt of the requested qualification forms and will begin looking over the qualification forms.

Looking forward to working with you further on this. If you have any questions, please contact me.

Thank you,

Mike Lee
Guam Project Officer
Pacific Islands Office
USEPA R9
Ph: 415-972-3769
Fax: 415-947-3560

OPTIONAL FORM 99 (7-90)

FAX TRANSMITTAL # of pages ▶ 1

To	From
Carlos Taitano	Mike Lee
Dept./Agency	Phone #
GWA	415-972-3769
Fax #	Fax #
671-479-7879	415-947-3560

NSN 7540-01-317-7368 5099-101 GENERAL SERVICES ADMINISTRATION

GUAM WATERWORKS AUTHORITY
Government of Guam

ROUTING SLIP NO. 10/24-8

[A] PREPARE REPLY FOR GM BY: _____
[B] SEE GM
[C] PROVIDE COMMENTS SUBMIT BY: _____
[D] HANDLE COORDINATION
[E] TAKE ACTION - PROVIDE FEEDBACK BY: _____
[F] FOR YOUR INFORMATION
[G] CIRCULATE
[H] PROVIDE INFO/SUPPORT TO [D]

	DIVISION / SECTION			DIVISION / SECTION	
	GENERAL MANAGER			**ASSISTANT GM ADMINISTRATION**	
1	QUALITY ASSURANCE	F	9	PUBLIC INFORMATION OFFICER	
2	MANAGEMENT SUPPORT		10	HUMAN RESOURCES DIV	
3	PLANNING	F	11	PROCUREMENT & SUPPLY	
4	BOARD SECRETARY		12	CUSTOMER SERVICE	
			13	DATA	
	CONTROLLER	F		**ASSISTANT GM OPERATIONS**	
5	ASST. TO THE CONTROLLER		14	ADMINISTRATIVE OFFICER	
6	ACCOUNTING		15	WATER	F
7	REVENUE PROTECTION		16	WASTEWATER	
8	PAYROLL		17	FMES	
			18	ENGINEERING C. P Walls	F
			19	LABORATORY	F

GENERAL MANAGER'S COMMENTS: _____

GIL A. SHINOHARA
Acting General Manager

OCT 24 2002
DATE

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY, REGION 9
PACIFIC ISLANDS OFFICE (CMD-6)
75 Hawthorne Street, San Francisco, CA 94105
PHONE: (415) 972-3770, FAX: (415) 947-3560
machol.ben@epa.gov

****

TO: Carlos Taitano, Assistant General Manager 671-479-7879

FROM: Ben Machol, Guam Program Manager

SUBJECT: Support Letter for upcoming trainings

DATE: 23 October 2002 4

PAGES: 6

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION IX
75 Hawthorne Street
San Francisco, CA 94105

October 23, 2002

Carlos Taitano
Assistant General Manager
Guam Waterworks Authority
P.O. Box 3010
Agana, Guam 96932

Dear Mr. Taitano:

I wanted to take this opportunity to strongly encourage your staff to attend two upcoming events: the Drinking Water Infrastructure Needs Survey training, and the Micronesia Water and Wastewater Training Program Annual Planning Meeting.

The Drinking Water Infrastructure Needs Survey Training takes place in San Francisco on December 11th and 12th. The training will discuss how to develop and complete the 2003 Needs survey. The target audience is utility staff charged with compiling the information. The survey will be used to determine Guam's share of EPA's DWSRF appropriations for FY06 through FY09. It is therefore very important that the survey be as accurate and complete as possible.

From October 30th through November 1st, the Micronesia Water and Wastewater Training Program will have their annual meeting in Saipan. The planning meeting is designed for wastewater and drinking water division managers and will include an island by island assessment of training needs. Given your efforts to increase operator training levels and improve utility performance, this Department of Interior-funded program may be very beneficial for GWA.

If you have any questions about either of the above events, please call me at (415) 972-3770.

Sincerely,

Ben Machol, P.E.
Guam Program Manager

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION IX
75 Hawthorne Street
San Francisco, CA 94105-3901

October 15, 2002

Mr. Gil Shinohara
Acting General Manager
Guam Waterworks Authority
P.O. Box 3010
Agana, Guam 96932

Dear Mr. Shinohara:

On December 11 and 12, 2002, EPA, Region 9 will host a two-day Drinking Water Infrastructure Needs Survey training for state and federal regulators working on the 2003 Needs Survey effort. The Needs Survey will determine your State's share of DW-SRF appropriations for Federal Fiscal Years 2006 through 2009. Therefore, I strongly recommend attendance by any member of your staff planning to participate in the Needs Survey effort.

The Needs Survey training will be conducted by representatives from our Headquarters office and CADMUS, our Needs Survey contractor. The training will be held at the EPA Region 9 office in San Francisco in the Arizona and California rooms on the first floor. The training will review the Needs Survey process, definitions, and codes. It will also show you how to review and complete the needs collection forms, document the needs, access the database, etc.

A block of rooms have been reserved at the Argent Hotel located at 50 3rd Street (between Market and Mission Streets). The rooms are reserved under the group name "EPA Drinking Water Needs Survey (or CADMUS Group)". The room rate is $149 plus tax. The rooms will be held until November 11, 2002. Please call the Argent Hotel at 877-222-6699 and make your reservation before November 11, 2002. For more information visit their website at http://www.argenthotel.com.

I am also enclosing a registration form for training sessions across the nation should you or your staff be unable to attend the San Francisco training. I look forward to your attendance. If you have any questions regarding the training, hotel accommodations, or wish to attend a training session outside Region 9, do not hesitate to call or e-mail José T. Caratini at 415-972-3566 - caratini.jose@epa.gov or Barry Pollock at 415-972-3563 - pollock.barry@epa.gov .

Sincerely,

Corine Li, Manager
Drinking Water Office

Enclosures

Training Agenda
for the
2003 Drinking Water Infrastructure Needs Survey

Day One

8:30 - 9:00 a.m	Check-In and Obtain Materials
9:00 - 9:30 a.m.	Welcome and Introductions
9:30 - 9:45 a.m.	Needs Survey Notebook Overview
9:45 - 10:15 a.m.	DWSRF and the Needs Survey: Purpose and Projects
10:15 - 10:45 a.m.	1995 and 1999 Needs Surveys: Lessons Learned
10:45 - 11:30 a.m.	2003 Needs Survey Approach and Statistics
11:30 - 12:00 p.m.	Overview of Data Gathering and Schedule
12:00 - 1:00 p.m.	Lunch
1:00 - 1:30 p.m.	2003 Mail-Out Package for Systems and 1999 Survey Results for States
1:30 - 2:30 p.m.	2003 Questionnaire and Lists of Codes
2:30 - 3:45 p.m.	Workshop 1: Completing the Questionnaire
3:45 - 4:15 p.m.	Workshop Discussion
4:15 - 4:45 p.m.	Maximizing Reported Needs: Needs Assessment Guide
4:45 - 5:00 p.m.	Wrap-up

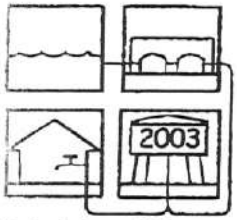
Day Two

8:30 - 9:00 a.m.	Review of Questionnaires
9:00 - 10:15 a.m.	Workshop 2: State Review of System Questionnaire Responses
10:15 - 10:45 a.m.	Workshop Discussion
10:45 - 12:00 p.m.	EPA Review and 2003needs.com website
12:00 - 12:30 p.m.	Schedule Review and Wrap-up
12:30 - 5:00 p.m.	Continued Website Hands-On Training *[optional]*

City	Meeting Days*	Hotel Name	Reservation Number	Group Name	Group Cut Off Date	Room Rate	Comments	Location of Training Sessions
Atlanta, GA	10/28 -10/29	Sheraton Colony Square	404-892-6000 800-325-3535	EPA Drinking Water Needs Survey	10/21/2002	$ 112		At the Hotel
Denver, CO	10/30 - 10/31	Brown Palace	303-297-3111 800-321-2599	EPA Drinking Water Needs Survey (or Cadmus Group)	10/10/2002	$ 112		At the Hotel
Chicago, IL	11/6 - 11/7	Millennium Knickerbocker Hotel	800-621-8140 312-751-8100 Ask for Reservations	EPA Drinking Water Needs Survey	10/14/2002	$ 155		At the Hotel
Philadelphia, PA	11/13 - 11/14	Radisson Plaza Warwick Hotel	215-735-6000 800-333-3333	EPA Drinking Water Needs Survey	10/22/2002	$ 118	Each Guest should get complimentary full American Breakfast voucher for each nights stay	At the Hotel
Boston, MA	11/18 - 11/19	Sheraton Newton Hotel	617-969-3010	EPA Drinking Water Needs Survey	10/30/2002	$ 159		At the Cadmus Offices at 57 Water Street, Watertown, MA. The offices are located 3 small blocks north of the hotel off of Galen Street. Hotel is at Exit 17 off of the Mass Pike.
Dallas, TX	11/20 - 11/21	AmeriSuites (Dallas-West End)	214-999-0500	Needs Survey Training	11/5/2002	$ 89	Questions regarding this hotel should be sent to Tom Poeton at Poeton.Tom@epa.gov	At the Regional Office, the training will be in the Louisiana conference room on the 12th floor of our offices. Tome will have a check-in table on the 12th floor, so please go directly to that floor. Tom will provide you a visitor name tag and entry code. If you arrive late, you may also check in at the main desk on the
San Francisco, CA	12/11 - 12/12	The Argent Hotel	877-222-6699	EPA Drinking Water Needs Survey (or Cadmus Group)	11/11/2002	$ 149		At the Regional Office, 75 Hawthorne Street, Arizona-California Rooms (1st Floor). For more information visit our visitor's website: http://www.epa.gov/region9/visitor.html or Contact José T. Caratini at 415-972-3566 or Caratini.jose@epa.gov

* The blocks of rooms have been set aside for two nights. (The night before the training starts and the night of the first training day)

US EPA 005



Drinking Water Infrastructure Needs Survey

2003 Drinking Water Infrastructure Needs Survey

State/EPA Regional Training Sessions

Please complete the following information to ensure the proper number of training manuals and right final lists of systems are brought to the correct training sessions.

First Name: _____ Last Name: _____

Affiliation: _____

E-mail: _____

Please check off which training sessions you will be attending.

Date of Training Session	Location	Attending (check one)
October 28 - 29, 2002	Atlanta, GA	☐
October 30 - 31, 2002	Denver, CO	☐
November 4 - 5, 2002	Seattle, WA	☐
November 6 - 7, 2002	Chicago, IL	☐
November 13 - 14, 2002	Philadelphia, PA	☐
November 18 - 19, 2002	Boston, MA	☐
November 20 - 21, 2002	Dallas, TX	☐
December 11 - 12, 2002	San Francisco, CA	☐

Please e-mail registration form to myoung@cadmusgroup.com by *September 27, 2002*

GUAM WATERWORKS AUTHORITY
Government of Guam

ROUTING SLIP NO. 10/24-3

[A] PREPARE REPLY FOR GM
BY: _____
[B] SEE GM
[C] PROVIDE COMMENTS
SUBMIT BY: _____
[D] HANDLE COORDINATION
[E] TAKE ACTION - PROVIDE FEEDBACK
BY: _____
[F] FOR YOUR INFORMATION
[G] CIRCULATE
[H] PROVIDE INFO/SUPPORT TO [D]

	DIVISION / SECTION			DIVISION / SECTION	
	GENERAL MANAGER	F		**ASSISTANT GM ADMINISTRATION**	F
1	QUALITY ASSURANCE		9	PUBLIC INFORMATION OFFICER	
2	MANAGEMENT SUPPORT		10	HUMAN RESOURCES DIV	H
3	PLANNING	H	11	PROCUREMENT & SUPPLY	
4	BOARD SECRETARY		12	CUSTOMER SERVICE	
			13	DATA	
	CONTROLLER			**ASSISTANT GM OPERATIONS**	
5	ASST. TO THE CONTROLLER		14	ADMINISTRATIVE OFFICER	
6	ACCOUNTING		15	WATER	E
7	REVENUE PROTECTION		16	WASTEWATER	E
8	PAYROLL		17	FMES	
			18	ENGINEERING	
			19	LABORATORY	

GENERAL MANAGER'S COMMENTS: For Kid Sat + Mark Miller-
Please see me - About ATTending
this meeting in SAIPAN Carlo, T
For Dan Guerrero - See me - Pre meeting in
San Francisco.

GIL A. SHINOHARA
Acting General Manager

OCT 24 2002
DATE

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION IX
75 Hawthorne Street
San Francisco, CA 94105

October 31, 2002

Danilo R. Galiza
Engineering Supervisor, CIP Water
Engineering Division
Guam Waterworks Authority
P.O. Box 3010
Hagatna, Guam 96932

Re: GWA A/E Selection Process

Dear Mr. Galiza:

I am in receipt of the fax copy of draft Guam Waterworks Authority's Intra-Office Memorandum for selection committee for A/E consultants. As per our discussion the draft selection process appears adequate for evaluating qualifications and selection of the three most qualified A/E firms. Therefore, GWA may proceed forward with the initial selection for the three most qualified A/E firms for the EPA funded Santa Rita Booster Pump Station Rehabilitation and the Upgrade of Groundwater Chlorination Systems projects.

However, negotiations and selection of the A/E firm should not proceed until GWA can provide us with it's a/E procurement procedures similar to DPW's Contracts Administration Manual for Capital Improvements Projects. Based on the draft Intra-Office Memo you provided it is not fully clear what GWA's A/E procurement procedures are with respect to policy, evaluation and selection process, final negotiations and selection, award, conflict of interest, etc. GWA should have established procedures for all capital improvement projects. Please provide me with a copy of GWA's procurement procedures for capital improvement projects (water and wastewater) at your earliest convenience.

All procurement actions under this grant, including the retention of A/E services, shall be performed in accordance with the applicable provisions of 40 CFR Part 31 (Procurement Under Assistance Agreements) and 40 CFR Part 35, Subpart I (Grants for Construction of Treatment Works).

Should you have any questions regarding these matter, please contact me or have your staff contact me at 415-972-3769 or by e-mail at lee.michael@epa.gov .

Sincerely,

Michael J. Lee
Guam Project Officer
Pacific Islands Office

cc: C. Taitano, GWA
C. Lund, GEPA

GUAM WATERWORKS AUTHORITY
Government of Guam

ROUTING SLIP NO. 16|31.7

[A] PREPARE REPLY FOR GM
BY: _____
[B] SEE GM
[C] PROVIDE COMMENTS
SUBMIT BY: _____
[D] HANDLE COORDINATION

[E] TAKE ACTION - PROVIDE FEEDBACK
BY: _____
[F] FOR YOUR INFORMATION
[G] CIRCULATE
[H] PROVIDE INFO/SUPPORT TO
[D]

	DIVISION / SECTION			DIVISION / SECTION	
	GENERAL MANAGER			**ASSISTANT GM ADMINISTRATION**	
1	QUALITY ASSURANCE	F	9	PUBLIC INFORMATION OFFICER	
2	MANAGEMENT SUPPORT		10	HUMAN RESOURCES DIV	
3	PLANNING		11	PROCUREMENT & SUPPLY	
4	BOARD SECRETARY		12	CUSTOMER SERVICE	
			13	DATA	
	CONTROLLER	F		**ASSISTANT GM OPERATIONS**	
5	ASST. TO THE CONTROLLER		14	ADMINISTRATIVE OFFICER	
6	ACCOUNTING		15	WATER	F
7	REVENUE PROTECTION		16	WASTEWATER	F
8	PAYROLL		17	FMES	
			18	ENGINEERING C. Davis	A/E
			19	LABORATORY	F

GENERAL MANAGER'S COMMENTS: _____

GIL A. SHINOHARA
Acting General Manager

OCT 31 2002
DATE

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION IX
75 Hawthorne Street (WST-8)
San Francisco, CA 94105

RECEIVED
OCT 29 2002
11:30 am SPK

October 18, 2002

Certified Mail
No. 7001 2510 0006 7303 4832
Return Receipt Requested

Gil Shinohara
Acting General Manager
Guam Water Works Authority
Government of Guam
P.O. Box 3010
Hagatna, Guam 96932

Re: Mongmong Toto Sewer Pump Station and Mamajanao Sewer Pump Station

Dear Mr. Shinohara:

The United States Environmental Protection Agency (EPA) Region 9 is authorized to implement the federal underground storage tank (UST) program on Guam. On September 12, 2002, Norwood Scott, EPA UST Inspector, conducted UST inspections at Mongmong Toto Sewer Pump Station and Mamajanao Sewer Pump Station. He identified numerous violations of the federal UST regulations during these inspections.

Under the provisions of Section 9005(a) of the Resource Conservation and Recovery Act (RCRA), 42 U.S.C. § 6991d(a), EPA may require persons subject to RCRA to furnish information necessary for the EPA to administer and oversee the Act. EPA is authorized to request owners and operators of underground storage tanks to: (1) furnish information relating to such tanks, associated equipment, and contents; (2) conduct monitoring and testing; and (3) undertake corrective action with respect to any release of petroleum.

Pursuant to Section 9005 of RCRA, and 40 C.F.R. §280.34, EPA requests that you submit the following information regarding the status of the USTs at the Mongmong Toto Sewer Pump Station and the Mamajanao Sewer Pump Station sites:

Mongmong Toto Sewer Pump Station

1) An updated notification form (a blank Form #7530 is enclosed for your use and copying) pursuant to 40 CFR Subpart B, Section 280.22.
2) Date (i.e., day, month, and year) tank was placed in service.
3) Date (i.e., day, month, and year) tank was taken out of service.

Mamajanao Sewer Pump Station

4) An updated notification form with information for both tanks (Form #7530, enclosed)

pursuant to 40 CFR Subpart B, Section 280.22. When identifying the USTs, please identify **Tank #1** as the tank, that at the time of inspection, had two inches of product and several feet of water, and **Tank #2** as the tank that has been paved over.

5) Date (i.e., day, month, and year) Tank #1 was placed in service.
6) Date (i.e., day, month, and year) Tank #2 was placed in service.
7) Date (i.e., day, month, and year) Tank #1 was taken out of service.
8) Date (i.e., day, month, and year) Tank #2 was taken out of service.

The EPA regulations governing confidentiality of business information are set forth in 40 CFR Part 2, Subpart B. For any portion of the information submitted which is entitled to confidential treatment, please provide a confidentiality claim with your response to this letter in accordance with 40 CFR 2.203(b).

Pursuant to Section 9005 of RCRA, 42 U.S.C. §6991d, EPA requires that you furnish the above information within thirty-five (35) calendar days from the date you receive this letter. Your response to this request must be made by letter, signed by a duly authorized official, and submitted to EPA. Please address the letter to:

Lester Kaufman, Manager
Underground Storage Tanks Program Office (WST-8)
75 Hawthorne Street
San Francisco, CA 94105

Please be aware that, pursuant to Section 9006 of RCRA, 42 U.S.C. § 6991e, refusal to provide the requested information by the specified deadline may result in the issuance of an administrative compliance order or the initiation of a civil action, which may include an assessment of civil penalties of up to $11,000 per tank for each day of violation.

This request for information is not subject to review by the Office of Management and Budget (OMB) under the Paperwork Reduction Act because it is not an "information collection request" within the meaning of 44 U.S.C. §§ 3502(3), 3507, 3512, and 3518(c)(1). See also 5 CFR §§ 1320.3(c), 1320.4, and 1320.6(a). Furthermore, it is exempt from OMB review under the Paperwork Reduction Act because it is directed to fewer than ten persons. 44 U.S.C. § 3502(4), (11); 5 CFR §§ 1320.4 and 1320.6(a).

If you have any questions, please contact Norwood Scott at (415) 972-3373.

Sincerely,

Lester Kaufman

Lester Kaufman, Manager
Underground Storage Tanks Program Office

Enclosure (EPA Form 7530-1)

cc: Vince Pereira, UST Inspector, GEPA
Mark Miller, Wastewater Division Manager, Guam Water Works Authority
Conchita Taitano, Administrator, Air and Land Division, GEPA

United States
Environmental Protection Agency
Washington, DC 20460

Form Approved.
OMB No.2050-0068

Notification for Underground Storage Tanks

State Agency Name and Address:

STATE USE ONLY
ID NUMBER:
DATE RECEIVED:
DATE ENTERED INTO COMPUTER:
DATA ENTRY CLERK INITIALS:
OWNER WAS CONTACTED TO CLARIFY RESPONSES, COMMENTS:

TYPE OF NOTIFICATION

☐ A. NEW FACILITY ☐ B. AMENDED ☐ C. CLOSURE

_____ Number of tanks at facility

_____ Number of continuation sheets attached

INSTRUCTIONS AND GENERAL INFORMATION

Please type or print in ink. Also, be sure you have signatures in ink for sections VIII and XI. Complete a notification form for each location containing underground storage tanks. If more than 5 tanks are owned at this location, you may photocopy pages 3 through 5 and use them for additional tanks.

The primary purpose of this notification program is to locate and evaluate underground storage tank systems (USTs) that store or have stored petroleum or hazardous substances. The information you provide will be based on reasonably available records, or in the absence of such records, your knowledge or recollection.

Federal law requires UST owners to use this notification form for all USTs storing regulated substances that are brought into use after May 8, 1986, or USTs in the ground as of May 8, 1986 that have stored regulated substances at any time since January 1, 1974. The information requested is required by Section 9002 of the Resource Conservation and Recovery Act (RCRA), as amended.

Who Must Notify? Section 9002 of RCRA, as amended, requires owners of USTs that store regulated substances (unless exempted) to notify designated State or local agencies of the existence of their USTs. "Owner" is defined as:

- In the case of an UST in use on November 8, 1984, or brought into use after that date, any person who owns an UST used for storage, use, or dispensing of regulated substances; or
- In the case of an UST in use before November 8, 1984, but no longer in use on that date, any person who owned the UST immediately before its discontinuation.

Also, if the State so requires, any facility that has made any changes to facility information or UST system status, must submit a notification form (only amended information needs to be included).

What USTs Are Included? An UST system is defined as any one or combination of tanks that (1) is used to contain an accumulation of regulated substances, and (2) whose volume (including connected underground piping) is 10% or more beneath the ground. Regulated USTs store petroleum or hazardous substances (see the following "What Substances Are Covered").

What Tanks Are Excluded From Notification?

- Tanks removed from the ground before May 8, 1986;
- Farm or residential tanks of 1,100 gallons or less capacity storing motor fuel for noncommercial purposes;
- Tanks storing heating oil for use on the premises where stored;
- Septic tanks;
- Pipeline facilities (including gathering lines) regulated under the Natural Gas Pipeline Safety Act of 1968, or the Hazardous Liquid Pipeline Safety Act of 1979, or which is an intrastate pipeline facility regulated under State laws;
- Surface impoundments, pits, ponds, or lagoons;
- Storm water or waste water collection systems;
- Flow-through process tanks;
- Liquid traps or associated gathering lines directly related to oil or gas production and gathering operations;
- Tanks on or above the floor of underground areas, such as basements or tunnels;
- Tanks with a capacity of 110 gallons or less.

What Substances Are Covered? The notification requirements apply to USTs containing petroleum or certain hazardous substances. Petroleum includes gasoline, used oil, diesel fuel, crude oil or any fraction thereof which is liquid at standard conditions of temperature and pressure (60 degrees Fahrenheit and 14.7 pounds per square inch absolute). Hazardous substances are those found in Section 101 (14) of the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (CERCLA), with the exception of those substances regulated as hazardous waste under Subtitle C of RCRA.

Where To Notify? Send completed forms to:

When To Notify? 1. Owners of USTs in use or that have been taken out of operation after January 1, 1974, but still in the ground, must notify by May 8, 1986. 2. Owners who bring USTs into use after May 8, 1986, must notify within 30 days of bringing the UST into use. 3. If the State requires notification of any amendments to facility, send information to State agency immediately.

Penalties: Any owner who knowingly fails to notify or submits false information shall be subject to a civil penalty not to exceed $11,000 for each tank for which notification is not given or for which false information is given.

I. OWNERSHIP OF UST(s)

Owner Name (Corporation, Individual, Public Agency, or Other Entity)

Street Address

County

City | State | Zip Code

Phone Number (Include Area Code)

II. LOCATION OF UST(s)

If required by State, give the geographic location of USTs by degrees, minutes, and seconds. Example: Latitude 42° 36' 12" N, Longitude 85° 24' 17" W

Latitude _____ **Longitude** _____

Facility Name or Company Site Identifier, as applicable

☐ If address is the same as in Section I, check the box and proceed to section III.
If address is different, enter address below:

Street Address

County

City | State | Zip Code

United States
Environmental Protection Agency
Washington, DC 20460

Form Approved.
OMB No.2050-0068

Notification for Underground Storage Tanks

III. TYPE OF OWNER

- ☐ Federal Government
- ☐ State Government ☐ Commercial
- ☐ Local Government ☐ Private

IV. INDIAN COUNTRY

- ☐ USTs are located on land within an Indian Reservation or on trust lands outside reservation boundaries.
- ☐ USTs are owned by a Native American nation or tribe.

Tribe or Nation where USTs are located:

V. TYPE OF FACILITY

- ☐ Gas Station
- ☐ Petroleum Distributor
- ☐ Air Taxi (Airline)
- ☐ Aircraft Owner
- ☐ Auto Dealership
- ☐ Railroad
- ☐ Federal - Non-Military
- ☐ Federal - Military
- ☐ Industrial
- ☐ Contractor
- ☐ Trucking/Transport
- ☐ Utilities
- ☐ Residential
- ☐ Farm
- ☐ Other (Explain) _____

VI. CONTACT PERSON IN CHARGE OF TANKS

Name:	Job Title:	Address:	Phone Number (Include Area Code):

VII. FINANCIAL RESPONSIBILITY

☐ I have met the financial responsibility requirements (in accordance with 40 CFR Subpart H) by using the following mechanisms:

Check All that Apply

- ☐ Self Insurance
- ☐ Commercial Insurance
- ☐ Risk Retention Group
- ☐ Local Government Financial Test
- ☐ Guarantee
- ☐ Surety Bond
- ☐ Letter of Credit
- ☐ Bond Rating Test
- ☐ State Funds
- ☐ Trust Fund
- ☐ Other Method (describe here) _____

VIII. CERTIFICATION (Read and sign after completing ALL SECTIONS of this notification form)

I certify under penalty of law that I have personally examined and am familiar with the information submitted in Sections I through XI of this notification form and all attached documents, and that based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the submitted information is true, accurate, and complete.

Name and official title of owner or owner's authorized representative (Print)	Signature	Date Signed

Paperwork Reduction Act Notice

EPA estimates public reporting burden for this form to average 30 minutes per response including time for reviewing instructions, gathering and maintaining the data needed and completing and reviewing the form. Send comments regarding this burden estimate to Director, OP, Regulatory Information Division (2137), U.S. Environmental Protection Agency, 401 M Street, Washington D.C. 20460, marked "Attention Desk Officer for EPA." This form amends the previous notification form as printed in 40 CFR Part 280, Appendix I. Previous editions of this notification form may be used while supplies last.

United States
Environmental Protection Agency
Washington, DC 20460

Form Approved.
OMB No.2050-0068

Notification for Underground Storage Tanks

DESCRIPTION OF UNDERGROUND STORAGE TANKS (Complete for all tanks and piping at this location.)

Tank Identification Number	Tank No. _____	Tank No. _____	Tank No. _____	Tank No. _____	Tank No. _____
1. Status of Tank (check only one) Currently In Use	☐	☐	☐	☐	☐
Temporarily Closed	☐	☐	☐	☐	☐
Permanently Closed	☐	☐	☐	☐	☐
2. Date of Installation (month/year)					
3. Estimated Total Capacity (gallons)					
4. Material of Construction (check all that apply)					
Asphalt Coated or Bare Steel	☐	☐	☐	☐	☐
Cathodically Protected Steel	☐	☐	☐	☐	☐
Coated and Cathodically Protected Steel	☐	☐	☐	☐	☐
Composite (Steel Clad with Fiberglass)	☐	☐	☐	☐	☐
Fiberglass Reinforced Plastic	☐	☐	☐	☐	☐
Lined Interior	☐	☐	☐	☐	☐
Excavation Liner	☐	☐	☐	☐	☐
Double Walled	☐	☐	☐	☐	☐
Polyethylene Tank Jacket	☐	☐	☐	☐	☐
Concrete	☐	☐	☐	☐	☐
Unknown	☐	☐	☐	☐	☐
If Other, please specify here	_____	_____	_____	_____	_____
	_____	_____	_____	_____	_____
Check box if tank has ever been repaired	☐	☐	☐	☐	☐
5. Piping Material (check all that apply) Bare Steel	☐	☐	☐	☐	☐
Galvanized Steel	☐	☐	☐	☐	☐
Fiberglass Reinforced Plastic	☐	☐	☐	☐	☐
Copper	☐	☐	☐	☐	☐
Cathodically Protected	☐	☐	☐	☐	☐
Double Walled	☐	☐	☐	☐	☐
Secondary Containment	☐	☐	☐	☐	☐
Unknown	☐	☐	☐	☐	☐
Other, please specify	_____	_____	_____	_____	_____
	_____	_____	_____	_____	_____
6. Piping Type "Safe" Suction (no valve at tank)	☐	☐	☐	☐	☐
(Check all that apply) "U.S." Suction (valve at tank)	☐	☐	☐	☐	☐
Pressure	☐	☐	☐	☐	☐
Gravity Feed	☐	☐	☐	☐	☐
Check box if piping has ever been repaired	☐	☐	☐	☐	☐

United States
Environmental Protection Agency
Washington, DC 20460

Form Approved.
OMB No.2050-0068

Notification for Underground Storage Tanks

Tank Identification Number		Tank No. _____	Tank No. _____	Tank No. _____	Tank No. _____	Tank No. _____
7. Substance Currently Stored (or last stored in the case of closed tanks) (Check all that apply)	Gasoline	☐	☐	☐	☐	☐
	Diesel	☐	☐	☐	☐	☐
	Gasohol	☐	☐	☐	☐	☐
	Kerosene	☐	☐	☐	☐	☐
	Heating Oil	☐	☐	☐	☐	☐
	Used Oil	☐	☐	☐	☐	☐
	If Other, please specify here	_____	_____	_____	_____	_____
	Hazardous Substance	☐	☐	☐	☐	☐
	CERCLA name and/or	_____	_____	_____	_____	_____
	CAS number	_____	_____	_____	_____	_____
	Mixture of Substances	☐	☐	☐	☐	☐
	Please specify here	_____	_____	_____	_____	_____

8. **Release Detection** (check all that apply)	TANK	PIPE	TANK	PIPE	TANK	PIPE	TANK	PIPE	TANK	PIPE
Manual tank gauging	☐		☐		☐		☐		☐	
Tank tightness testing	☐		☐		☐		☐		☐	
Inventory Control	☐		☐		☐		☐		☐	
Automatic tank gauging	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐
Vapor monitoring	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐
Groundwater monitoring	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐
Interstitial monitoring	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐
Automatic line leak detectors		☐		☐		☐		☐		☐
Line tightness testing		☐		☐		☐		☐		☐
No release detection required (such as some types of suction piping, emergency generator tanks or field constructed tanks)	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐
Other method allowed by implementing agency (such as SIR)	☐		☐		☐		☐		☐	
Please specify other method here	_____		_____		_____		_____		_____	

9. **Spill and Overfill Protection**					
Overfill device installed	☐	☐	☐	☐	☐
Spill device installed	☐	☐	☐	☐	☐

United States
Environmental Protection Agency
Washington, DC 20460

Form Approved.
OMB No.2050-0068

Notification for Underground Storage Tanks

Tank Identification Number	Tank No. ____	Tank No. ____	Tank No. ____	Tank No. ____	Tank No. ____

X. CLOSURE OR CHANGE IN SERVICE

1. Closure or Change in Service					
Estimated date the UST was last used for storing regulated substances (month/day/year)					
Check box if this is a change in service	☐	☐	☐	☐	☐
2. Tank Closure					
Estimated date tank closed (month/day/year)					
(check all that apply below)					
Tank was removed from ground	☐	☐	☐	☐	☐
Tank was closed in ground	☐	☐	☐	☐	☐
Tank filled with inert material	☐	☐	☐	☐	☐
Describe the inert fill material here					
3. Site Assessment					
Check box if the site assessment was completed	☐	☐	☐	☐	☐
Check box if evidence of a leak was detected	☐	☐	☐	☐	☐

XI. CERTIFICATION OF INSTALLATION (COMPLETE FOR UST SYSTEMS INSTALLED AFTER DECEMBER 22, 1988)

Installer Of Tank And Piping Must Check All That Apply:

Installer certified by tank and piping manufacturers	☐	☐	☐	☐	☐
Installer certified or licensed by the implementing agency	☐	☐	☐	☐	☐
Installation inspected by a registered engineer	☐	☐	☐	☐	☐
Installation inspected and approved by implementing agency	☐	☐	☐	☐	☐
Manufacturer's installation checklists have been completed	☐	☐	☐	☐	☐
Another method allowed by State agency If so, please specify here	☐	☐	☐	☐	☐

Signature of UST Installer Certifying Proper Installation of UST System

Name _____ Signature _____ Date _____

Position _____ Company _____

GUAM WATERWORKS AUTHORITY
Government of Guam

ROUTING SLIP NO. 10/29-2

[A] PREPARE REPLY FOR GM
BY: _____
[B] SEE GM
[C] PROVIDE COMMENTS
SUBMIT BY: _____
[D] HANDLE COORDINATION

[E] TAKE ACTION - PROVIDE FEEDBACK
BY: _____
[F] FOR YOUR INFORMATION
[G] CIRCULATE
[H] PROVIDE INFO/SUPPORT TO
[D]

	DIVISION / SECTION			DIVISION / SECTION	
	GENERAL MANAGER			**ASSISTANT GM ADMINISTRATION**	
1	QUALITY ASSURANCE		9	PUBLIC INFORMATION OFFICER	
2	MANAGEMENT SUPPORT		10	HUMAN RESOURCES DIV	
3	PLANNING		11	PROCUREMENT & SUPPLY	
4	BOARD SECRETARY		12	CUSTOMER SERVICE	
			13	DATA	
	CONTROLLER			**ASSISTANT GM OPERATIONS**	
5	ASST. TO THE CONTROLLER		14	ADMINISTRATIVE OFFICER	
6	ACCOUNTING		15	WATER	
7	REVENUE PROTECTION		16	WASTEWATER	A
8	PAYROLL		17	FMES	H
			18	ENGINEERING	H
			19	LABORATORY	H

GENERAL MANAGER'S COMMENTS: Do ASAP

GIL A. SHINOHARA
Acting General Manager

OCT 29 2002
DATE

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION IX
75 Hawthorne Street
San Francisco, CA 94105-3901

RECEIVED
OCT 29 2002
11:30am spc
GWA

October 15, 2002

Mr. Gil Shinohara
Acting General Manager
Guam Waterworks Authority
P.O. Box 3010
Agana, Guam 96932

Dear Mr. Shinohara:

On December 11 and 12, 2002, EPA, Region 9 will host a two-day Drinking Water Infrastructure Needs Survey training for state and federal regulators working on the 2003 Needs Survey effort. The Needs Survey will determine your State's share of DW-SRF appropriations for Federal Fiscal Years 2006 through 2009. Therefore, I strongly recommend attendance by any member of your staff planning to participate in the Needs Survey effort.

The Needs Survey training will be conducted by representatives from our Headquarters office and CADMUS, our Needs Survey contractor. The training will be held at the EPA Region 9 office in San Francisco in the Arizona and California rooms on the first floor. The training will review the Needs Survey process, definitions, and codes. It will also show you how to review and complete the needs collection forms, document the needs, access the database, etc.

A block of rooms have been reserved at the Argent Hotel located at 50 3rd Street (between Market and Mission Streets). The rooms are reserved under the group name "EPA Drinking Water Needs Survey (or CADMUS Group)". The room rate is $149 plus tax. The rooms will be held until November 11, 2002. Please call the Argent Hotel at 877-222-6699 and make your reservation before November 11, 2002. For more information visit their website at http://www.argenthotel.com.

I am also enclosing a registration form for training sessions across the nation should you or your staff be unable to attend the San Francisco training. I look forward to your attendance. If you have any questions regarding the training, hotel accommodations, or wish to attend a training session outside Region 9, do not hesitate to call or e-mail José T. Caratini at 415-972-3566 - caratini.jose@epa.gov or Barry Pollock at 415-972-3563 - pollock.barry@epa.gov .

Sincerely,

Corine Li, Manager
Drinking Water Office

Enclosures

Training Agenda
for the
2003 Drinking Water Infrastructure Needs Survey

Day One

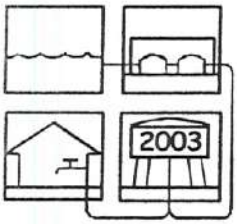
8:30 - 9:00 a.m	Check-In and Obtain Materials
9:00 - 9:30 a.m.	Welcome and Introductions
9:30 - 9:45 a.m.	Needs Survey Notebook Overview
9:45 - 10:15 a.m.	DWSRF and the Needs Survey: Purpose and Projects
10:15 - 10:45 a.m.	1995 and 1999 Needs Surveys: Lessons Learned
10:45 - 11:30 a.m.	2003 Needs Survey Approach and Statistics
11:30 - 12:00 p.m.	Overview of Data Gathering and Schedule
12:00 - 1:00 p.m.	Lunch
1:00 - 1:30 p.m.	2003 Mail-Out Package for Systems and 1999 Survey Results for States
1:30 - 2:30 p.m.	2003 Questionnaire and Lists of Codes
2:30 - 3:45 p.m.	Workshop 1: Completing the Questionnaire
3:45 - 4:15 p.m.	Workshop Discussion
4:15 - 4:45 p.m.	Maximizing Reported Needs: Needs Assessment Guide
4:45 - 5:00 p.m.	Wrap-up

Day Two

8:30 - 9:00 a.m.	Review of Questionnaires
9:00 - 10:15 a.m.	Workshop 2: State Review of System Questionnaire Responses
10:15 - 10:45 a.m.	Workshop Discussion
10:45 - 12:00 p.m.	EPA Review and 2003needs.com website
12:00 - 12:30 p.m.	Schedule Review and Wrap-up
12:30 - 5:00 p.m.	Continued Website Hands-On Training *[optional]*

City	Meeting Days*	Hotel Name	Reservation Number	Group Name	Group Cut Off Date	Room Rate	Comments	Location of Training Sessions
Atlanta, GA	10/28 -10/29	Sheraton Colony Square	404-892-6000 800-325-3535	EPA Drinking Water Needs Survey	**10/21/2002**	$ 112		At the Hotel
Denver, CO	10/30 - 10/31	Brown Palace	303-297-3111 800-321-2599	EPA Drinking Water Needs Survey (or Cadmus Group)	**10/10/2002**	$ 112		At the Hotel
Chicago, IL	11/6 - 11/7	Millennium Knickerbocker Hotel	800-621-8140 312-751-8100 Ask for Reservations	EPA Drinking Water Needs Survey	**10/14/2002**	$ 155		At the Hotel
Philadelphia, PA	11/13 - 11/14	Radisson Plaza Warwick Hotel	215-735-6000 800-333-3333	EPA Drinking Water Needs Survey	**10/22/2002**	$ 118	Each Guest should get complimentary full American Breakfast voucher for each nights stay	At the Hotel
Boston, MA	11/18 - 11/19	Sheraton Newton Hotel	617-969-3010	EPA Drinking Water Needs Survey	**10/30/2002**	$ 159		At the Cadmus Offices at 57 Water Street, Watertown, MA. The offices are located 3 small blocks north of the hotel off of Galen Street. Hotel is at Exit 17 off of the Mass Pike.
Dallas, TX	11/20 - 11/21	AmeriSuites (Dallas-West End)	214-999-0500	Needs Survey Training	**11/5/2002**	$ 89	Questions regarding this hotel should be sent to Tom Poeton at Poeton.Tom@epa.gov	At the Regional Office. The training will be in the Louisiana conference room on the 12th floor of our offices. Tome will have a check-in table on the 12th floor, so please go directly to that floor. Tom will provide you a visitor name tag and entry code. If you arrive late, you may also check in at the main desk on the
San Francisco, CA	12/11 - 12/12	The Argent Hotel	877-222-6699	EPA Drinking Water Needs Survey (or Cadmus Group)	**11/11/2002**	$ 149		At the Regional Office, 75 Hawthorne Street, Arizona-California Rooms (1st Floor). For more information visit our visitor's website: http://www.epa.gov/region9/visitor.html or Contact José T. Caratini at 415-972-3566 or Caratini.jose@epa.gov

* The blocks of rooms have been set aside for two nights. (The night before the training starts and the night of the first training day)



Drinking Water Infrastructure Needs Survey

2003 Drinking Water Infrastructure Needs Survey

State/EPA Regional Training Sessions

Please complete the following information to ensure the proper number of training manuals and right final lists of systems are brought to the correct training sessions.

First Name: _____ Last Name: _____

Affiliation: _____

E-mail: _____

Please check off which training sessions you will be attending.

Date of Training Session	Location	Attending (check one)
October 28 - 29, 2002	Atlanta, GA	☐
October 30 - 31, 2002	Denver, CO	☐
November 4 - 5, 2002	Seattle, WA	☐
November 6 - 7, 2002	Chicago, IL	☐
November 13 - 14, 2002	Philadelphia, PA	☐
November 18 - 19, 2002	Boston, MA	☐
November 20 - 21, 2002	Dallas, TX	☐
December 11 - 12, 2002	San Francisco, CA	☐

Please e-mail registration form to myoung@cadmusgroup.com by *September 27, 2002*

GUAM WATERWORKS AUTHORITY
Government of Guam

ROUTING SLIP NO. 10/24-7

[A] PREPARE REPLY FOR GM BY: _____
[B] SEE GM
[C] PROVIDE COMMENTS SUBMIT BY: _____
[D] HANDLE COORDINATION
[E] TAKE ACTION - PROVIDE FEEDBACK BY: _____
[F] FOR YOUR INFORMATION
[G] CIRCULATE
[H] PROVIDE INFO/SUPPORT TO [D]

	DIVISION / SECTION			DIVISION / SECTION	
	GENERAL MANAGER			**ASSISTANT GM ADMINISTRATION**	F
1	QUALITY ASSURANCE	H	9	PUBLIC INFORMATION OFFICER	
2	MANAGEMENT SUPPORT		10	HUMAN RESOURCES DIV	F
3	PLANNING	A	11	PROCUREMENT & SUPPLY	
4	BOARD SECRETARY		12	CUSTOMER SERVICE	
			13	DATA	
	CONTROLLER			**ASSISTANT GM OPERATIONS**	
5	ASST. TO THE CONTROLLER		14	ADMINISTRATIVE OFFICER	
6	ACCOUNTING		15	WATER	H
7	REVENUE PROTECTION		16	WASTEWATER	H
8	PAYROLL		17	FMES	H
			18	ENGINEERING WCOA + WQ	H
			19	LABORATORY	H

GENERAL MANAGER'S COMMENTS: Dan Guerrero - see CAR's

GIL A. SHINOHARA
Acting General Manager

OCT 29 2002
DATE

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION IX
75 Hawthorne Street
San Francisco, CA 94105

SEP 27 2002

Certified Mail -Return Receipt

COPY

Gil A. Shinohara
Acting General Manager
Guam Waterworks Authority
P.O. Box 3010
Hagatna, GU 96932

Re: Grant ID #: XP-97931501-0
WATER INFRASTRUCTURE - UPGRADES TO GROUND WATER CHLORINATION SYSTEM

Dear Mr. Shinohara:

The United States Environmental Protection Agency (EPA) is pleased to approve the program described in the enclosed agreement. **If you wish to accept this offer, please sign and date both enclosed agreements and return one signed original to the Grants Management Office, PMD-7, within three weeks.** The agreement which is marked *Recipient's Copy* should be retained for your records.

Please read the enclosed Agreement and the conditions prior to your acceptance. If you or your staff have any questions of a programmatic nature, please contact your EPA Project Officer. Questions relating to administrative or fiscal matters should be directed to your EPA Grant Specialist.

Sincerely,

Jovita Pajarillo
for

Alexis Strauss
Director
Water Division

Enclosures

cc: Prudencio Aguon, GWA (w/attach)
Zeny Levitch, GWA (w/attach)
Chris Lundi, GEPA (w/attach)

EPA . unding Information

FUNDS	FORMER AWARD	THIS ACTION	AMENDED TOTAL
EPA Amount This Action	$	$ 485,000	$ 485,000
EPA In-Kind Amount	$	$	$ 0
Unexpended Prior Year Balance	$	$	$ 0
Other Federal Funds	$	$	$ 0
Recipient Contribution	$	$	$ 0
State Contribution	$	$	$ 0
Local Contribution	$	$	$ 0
Other Contribution	$	$	$ 0
Allowable Project Cost	$ 0	$ 485,000	$ 485,000

Assistance Program (CFDA)	Statutory Authority	Regulatory Authority
66.606 - Surveys - Studies - Investigations - Specl	Appropriations Act of 2002 (PL 107-73)	40 CFR PART 31

Fiscal

Site Name	DCN	FY	Approp. Code	Budget Organization	PRC	Object Class	Site/Project	Cost Organization	Obligation / Deobligation
-	W6E038	02	E4	09L0QHW	20103B	4183	-	-	485,000
									485,000

Administrative Conditions

1. An interim Financial Status Report (FSR), Standard Form 269A (Rev. 7/97), covering the period from "project/budget period start date" to September 30 of each calendar year shall be submitted to the Grants Management Office, PMD-7, no later than December 31 of the same calendar year. **The initial FSR is due December 31, 2003.** The FSR covering the entire project period shall be submitted within 90 days after the end of the project period (40 CFR Part 31.23(b)).

2. The recipient shall comply with the Single Audit Act and the reporting requirements set forth in OMB Circular A-133.

3. The recipient agrees to complete and submit to the Grants Management Office, PMD-7, a MBE/WBE Utilization Report (EPA Form 5700-52A), within 30 days after the end of the Federal fiscal year, i.e., by October 30 of each calendar year. Negative reports are required.

4. The recipient must ensure to the fullest extent possible that at least 8% (6%=MBE/2%=WBE) of Federal funds for prime contracts or subcontracts for supplies, construction, equipment or services are made available to organizations owned or controlled by socially and economically disadvantaged individuals, women, and historically black colleges and universities.

The recipient agrees to include in its bid documents an 8% (6%=MBE/2%=WBE) "Fair Share" percentage and require all of its prime contractors to include in their bid documents for subcontracts an 8% (6%=MBE/2%=WBE) "Fair Share" percentage.

To evaluate compliance with the "Fair Share" policy, the recipient also agrees to comply with the six affirmative steps stated in 40 CFR Section 30.44(b), Section 31.36(e), or Section 35.6580(a), as appropriate.

5. The cost principles of OMB Circular **A-87** are applicable to this award. Since there are no indirect costs included in the assistance budget, they are not allowable under this Assistance Agreement.

6. In accordance with OMB Circular A-21, A-87, or A-122, as appropriate, the recipient agrees that it will not use project funds, including the Federal and non-Federal share, to engage in lobbying the Federal Government or in litigation against the United States. The recipient's Chief Executive Officer agrees to provide either EPA Form 5700-53, Lobbying and Litigation Certificate, or a written statement certifying that none of the funds have been used to engage in the lobbying of the Federal Government or in litigation against the United States. The certification is due 90 days after the end of the project period and shall be submitted with the final Financial Status Report.

7. Pursuant to EPA Order 1000.25, dated January 24, 1990, the recipient agrees to use recycled paper for all reports which are prepared as a part of this agreement and delivered to EPA. This requirement does not apply to Standard Forms. These forms are printed on recycled paper as available through the General Services Administration.

8. Effective October 1, 1994, the recipient agrees to ensure that all conference, meeting, convention, or training space funded in whole or in part with Federal funds complies with the Hotel and Motel Fire Safety Act of 1990.

Approval to Award.

If the recipient intends to make the award to a firm which did not submit the lowest bid, a written statement shall be prepared before any award, explaining why each lower bidder was deemed nonresponsible or nonresponsive, and shall retain it in his files and submit a copy to the EPA Project Officer.

15. The recipient shall notify the State Historic Preservation Officer (SHPO) immediately upon acceptance of the grant. The recipient shall develop procedures to be employed during project construction to provide appropriate protection and/or salvage of any significant cultural or historic artifacts impacted by the project. The recipient shall notify EPA of these procedures and submit evidence of the SHPO's concurrence prior to initiation of construction.

16. When issuing statements, press releases, requests for proposals, bid solicitations and other documents describing projects or programs funded in whole or in part with Federal money, all recipients receiving Federal funds including but not limited to State and local governments shall clearly state: the percentage of the total costs of the program or project which will be financed with Federal money.

17. The grantee shall notify the EPA Project Officer, ACOE and GEPA before contracted field work begins, to allow oversight inspection and to ensure that work is conducted in accordance with the approved scopes of work, specifications, and schedules. The grantee shall be available during the active stages of the project to ensure the project progresses in a timely manner and on a continuous basis. EPA or its designate may inspect the project at any time. In addition, any construction contract must provide that representatives of EPA will have access to the work and any books, documents, papers, and records of the contractor. The project will be evaluated to the ensure timely completion and expenditure of allowable costs.

19. No payment beyond 90% shall be made until the O&M manual has been approved.

20. The grantee shall submit a 5 year operating plan for the operation and maintenance of the water treatment system by the 50% expenditure level of the project for approval by EPA. The plan shall include, at a minimum, an annual budget for the 5 years, a staffing plan, a capital replacement plan, an updated operation and maintenance manual or standard operating procedures, and a training plan. The budget shall include, at a minimum: 1) sinking fund which shall include the estimated replacement costs; 2) operating fund which shall include chemical costs, power, staffing, and routine O&M; and 3) current revenues and future projected revenues.

21. The grantee shall conduct an analysis of the system's financial health and determine any steps that must be taken to secure good financial standing by the 50% expenditure level of the project. This analysis shall include a study of the current rate structure or revenue source(s) and development of a new rate structure if the current rate structure or revenue source(s) is inadequate to secure good financial standing. The grantee agrees to adopt the new rate structure and any implementing rules and regulations needed to ensure customer compliance with the rate structure.

22. The grantee shall provide a copy of all documents required by the grant conditions to GEPA.

-- END OF DOCUMENT --

GUAM WATERWORKS AUTHORITY
Government of Guam

ROUTING SLIP NO. 9/30-14

[A] PREPARE REPLY FOR GM
BY: _____
[B] SEE GM
[C] PROVIDE COMMENTS
SUBMIT BY: _____
[D] HANDLE COORDINATION

[E] TAKE ACTION - PROVIDE FEEDBACK
BY: _____
[F] FOR YOUR INFORMATION
[G] CIRCULATE
[H] PROVIDE INFO/SUPPORT TO
[D]

DIVISION / SECTION			DIVISION / SECTION		
	GENERAL MANAGER			**ASSISTANT GM ADMINISTRATION**	
1	QUALITY ASSURANCE	F	9	PUBLIC INFORMATION OFFICER	
2	MANAGEMENT SUPPORT		10	HUMAN RESOURCES DIV	
3	PLANNING	A	11	PROCUREMENT & SUPPLY	
4	BOARD SECRETARY		12	CUSTOMER SERVICE	
			13	DATA	
	CONTROLLER			**ASSISTANT GM OPERATIONS**	
5	ASST. TO THE CONTROLLER		14	ADMINISTRATIVE OFFICER	
6	ACCOUNTING		15	WATER	
7	REVENUE PROTECTION		16	WASTEWATER	
8	PAYROLL		17	FMES	
			18	ENGINEERING	
			19	LABORATORY	

GENERAL MANAGER'S COMMENTS: Encho, Was There a Sign in Copy. If So please Provide Me a Copy. Thanks! Spc

GIL A. SHINOHARA
Acting General Manager

Sept 30, 2002
DATE

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION IX
75 Hawthorne Street
San Francisco, CA 94105

RECEIVED
OCT 21 2002
4:20 PM SPC
Cust.

SEP 27 2002

Gil Shinohara
Acting General Manager
Guam Waterworks Authority
P.O. Box 3010
Hagatna, GU 96932

Re: Grant #C-66001016-8
Construction - Commercial Port Sewer Pump/Forcemain Project

Dear Mr. Shinohara:

The enclosed Closeout Amendment decreases $176,293 from your EPA assistance amount and is based on your Final Outlay Report, dated March 26, 2002. These funds are being withdrawn and are no longer available for use in this agreement. Please refer to this agreement for more detailed information.

The enclosed amendment is for your files. If you or your staff have any questions, please contact your EPA Project Officer.

Sincerely,

Enrique Manzanilla
Director
Cross-Media Division

Enclosures

cc: Nardo Navasca, GW (w/attach)
Zeny Nace, GW (w/attach)

RETUP' TO EPA, PMD-7

U.S. ENVIRONMENTAL PROTECTION AGENCY

Assistance Amendment

ASSISTANCE ID NO.			DATE OF AWARD
PRG	DOC ID	AMEND#	
C -	66001016	- 8	SEP 26 2002
TYPE OF ACTION: Decrease			MAILING DATE: SEP 27 2002
PAYMENT METHOD: ACH			ACH#: 0941

RECIPIENT TYPE:
State

Send Payment Request to:
N/A

RECIPIENT:
Guam Waterworks Authority
P.O. Box 3010
Hagatna, GU 96932
EIN: 66-0540236

PAYEE:
Guam Waterworks Authority
P.O. Box 3010
Hagatna, GU 96932

PROJECT MANAGER	EPA PROJECT OFFICER	EPA GRANT SPECIALIST
Nardo Navasca P.O. Box 3010 Hagatna, GU 96932 **E-Mail:** **Phone:** 671-479-7807	Michael Lee 75 Hawthorne Street, CMD-6 San Francisco, CA 94105 **E-Mail:** Lee.Michael@epa.gov **Phone:** 415-972-3769	Elizabeth Stahl Grants Management Office , PMD-7 **E-Mail:** Stahl.Elizabeth@epa.gov **Phone:** 415-972-3662

PROJECT TITLE AND DESCRIPTION
CONSTRUCTION - Commercial Port Sewer Pump Station/Forcemain Project

This amendment decreases EPA funding by $176,293, from $2,221,600 to $2,045,307, based on your Final Outlay Report and Request for Reimbursement dated 3/26/02. The unobligated balance is being withdrawn and is not longer available for expenditure in this agreement.

BUDGET PERIOD	PROJECT PERIOD	TOTAL BUDGET PERIOD COST	TOTAL PROJECT PERIOD COST
09/30/1992 - 12/31/2001	09/30/1992 - 12/31/2001	$2,045,307.00	$2,045,307.00

NOTE: The Agreement must be completed in duplicate and the Original returned to the appropriate Grants Management Office listed below, within 3 calendar weeks after receipt or within any extension of time as may be granted by EPA. Receipt of a written refusal or failure to return the properly executed document within the prescribed time, may result in the withdrawal of the offer by the Agency. Any change to the Agreement by the Recipient subsequent to the document being signed by the EPA Award Official, which the Award Official determines to materially alter the Agreement, shall void the Agreement.

OFFER AND ACCEPTANCE

The United States, acting by and through the U.S. Environmental Protection Agency (EPA), hereby offers Assistance/Amendment to the Guam Waterworks Authority for 100.00 % of all approved costs incurred up to and not exceeding $2,045,307 for the support of approved budget period effort described in application (including all application modifications) cited in the Project Title and Description above, signed 07/22/0200 included herein by reference.

ISSUING OFFICE (GRANTS MANAGEMENT OFFICE)	AWARD APPROVAL OFFICE
ORGANIZATION / ADDRESS	ORGANIZATION / ADDRESS
U.S. EPA, Region 9 Grants Management Office, PMD-7 75 Hawthorne Street San Francisco, CA 94105	U.S. EPA, Region 9 Cross-Media Division 75 Hawthorne Street San Francisco, CA 94105

THE UNITED STATES OF AMERICA BY THE U.S. ENVIRONMENTAL PROTECTION AGENCY

SIGNATURE OF AWARD OFFICIAL	TYPED NAME AND TITLE	DATE
Martin O. Rey	Enrique Manzanilla, Director - Cross-Media Division	SEP 26 2002

This agreement is subject to applicable U.S. Environmental Protection Agency statutory provisions and assistance regulations. In accepting this award or amendment and any payments made pursuant thereto, (1) the undersigned represents that he is duly authorized to act on behalf of the recipient organization, and (2) the recipient agrees (a) that the award is subject to the applicable provisions of 40 CFR Chapter 1, Subchapter B and of the provisions of this agreement (and all attachments), and (b) that acceptance of any payments constitutes an agreement by the payee that the amounts, if any found by EPA to have been overpaid will be refunded or credited in full to EPA.

BY AND ON BEHALF OF THE DESIGNATED RECIPIENT ORGANIZATION

SIGNATURE	TYPED NAME AND TITLE	DATE
	NO SIGNATURE REQUIRED, BY GUAM WATERWORKS	

EPA Funding Information

FUNDS	FORMER AWARD	THIS ACTION	AMENDED TOTAL
EPA Amount This Action	$ 2,221,600	$ -176,293	$ 2,045,307
EPA In-Kind Amount	$ 0	$	$ 0
Unexpended Prior Year Balance	$ 0	$	$ 0
Other Federal Funds	$ 0	$	$ 0
Recipient Contribution	$ 0	$	$ 0
State Contribution	$ 0	$	$ 0
Local Contribution	$ 0	$	$ 0
Other Contribution	$ 0	$	$ 0
Allowable Project Cost	$ 2,221,600	$ -176,293	$ 2,045,307

Assistance Program (CFDA)	Statutory Authority	Regulatory Authority
66.418 - Construction Grants For WWT Works	Clean Water Act: Sec. 201 Omnibus Territory Act: Title V	40 CFR PTS 31 & 35 SUBPT I

Fiscal

Site Name	DCN	FY	Approp. Code	Budget Organization	PRC	Object Class	Site/Project	Cost Organization	Obligation / Deobligation
-	X40001	1993	GB1	096	GB4	4111	-	-	-176,293
									-176,293

-- END OF DOCUMENT --

RECIPIENT'S COPY

U.S. ENVIRONMENTAL PROTECTION AGENCY

Assistance Amendment

ASSISTANCE ID NO.			DATE OF AWARD
PRG	DOC ID	AMEND#	SEP 26 2002
C -	66001016	- 8	
TYPE OF ACTION: Decrease			MAILING DATE: SEP 27 2002
PAYMENT METHOD: ACH			ACH#: 0941

RECIPIENT TYPE:
State

Send Payment Request to:
N/A

RECIPIENT:
Guam Waterworks Authority
P.O. Box 3010
Hagatna, GU 96932
EIN: 66-0540236

PAYEE:
Guam Waterworks Authority
P.O. Box 3010
Hagatna, GU 96932

PROJECT MANAGER	EPA PROJECT OFFICER	EPA GRANT SPECIALIST
Nardo Navasca P.O. Box 3010 Hagatna, GU 96932 **E-Mail:** **Phone:** 671-479-7807	Michael Lee 75 Hawthorne Street, CMD-6 San Francisco, CA 94105 **E-Mail:** Lee.Michael@epa.gov **Phone:** 415-972-3769	Elizabeth Stahl Grants Management Office , PMD-7 **E-Mail:** Stahl.Elizabeth@epa.gov **Phone:** 415-972-3662

PROJECT TITLE AND DESCRIPTION
CONSTRUCTION - Commercial Port Sewer Pump Station/Forcemain Project

This amendment decreases EPA funding by $176,293, from $2,221,600 to $2,045,307, based on your Final Outlay Report and Request for Reimbursement dated 3/26/02. The unobligated balance is being withdrawn and is not longer available for expenditure in this agreement.

BUDGET PERIOD	PROJECT PERIOD	TOTAL BUDGET PERIOD COST	TOTAL PROJECT PERIOD COST
09/30/1992 - 12/31/2001	09/30/1992 - 12/31/2001	$2,045,307.00	$2,045,307.00

NOTE: The Agreement must be completed in duplicate and the Original returned to the appropriate Grants Management Office listed below, within 3 calendar weeks after receipt or within any extension of time as may be granted by EPA. Receipt of a written refusal or failure to return the properly executed document within the prescribed time, may result in the withdrawal of the offer by the Agency. Any change to the Agreement by the Recipient subsequent to the document being signed by the EPA Award Official, which the Award Official determines to materially alter the Agreement, shall void the Agreement.

OFFER AND ACCEPTANCE

The United States, acting by and through the U.S. Environmental Protection Agency (EPA), hereby offers Assistance/Amendment to the Guam Waterworks Authority for 100.00 % of all approved costs incurred up to and not exceeding $2,045,307 for the support of approved budget period effort described in application (including all application modifications) cited in the Project Title and Description above, signed 07/22/0200 included herein by reference.

ISSUING OFFICE (GRANTS MANAGEMENT OFFICE)	AWARD APPROVAL OFFICE
ORGANIZATION / ADDRESS	ORGANIZATION / ADDRESS
U.S. EPA, Region 9 Grants Management Office, PMD-7 75 Hawthorne Street San Francisco, CA 94105	U.S. EPA, Region 9 Cross-Media Division 75 Hawthorne Street San Francisco, CA 94105

THE UNITED STATES OF AMERICA BY THE U.S. ENVIRONMENTAL PROTECTION AGENCY

SIGNATURE OF AWARD OFFICIAL	TYPED NAME AND TITLE	DATE
	Enrique Manzanilla, Director - Cross-Media Division	SEP 26 2002

This agreement is subject to applicable U.S. Environmental Protection Agency statutory provisions and assistance regulations. In accepting this award or amendment and any payments made pursuant thereto, (1) the undersigned represents that he is duly authorized to act on behalf of the recipient organization, and (2) the recipient agrees (a) that the award is subject to the applicable provisions of 40 CFR Chapter 1, Subchapter B and of the provisions of this agreement (and all attachments), and (b) that acceptance of any payments constitutes an agreement by the payee that the amounts, if any found by EPA to have been overpaid will be refunded or credited in full to EPA.

BY AND ON BEHALF OF THE DESIGNATED RECIPIENT ORGANIZATION

SIGNATURE	TYPED NAME AND TITLE	DATE
	NO SIGNATURE REQUIRED, BY GUAM WATERWORKS	

EPA Funding Information

FUNDS	FORMER AWARD	THIS ACTION	AMENDED TOTAL
EPA Amount This Action	$ 2,221,600	$ -176,293	$ 2,045,307
EPA In-Kind Amount	$ 0	$	$ 0
Unexpended Prior Year Balance	$ 0	$	$ 0
Other Federal Funds	$ 0	$	$ 0
Recipient Contribution	$ 0	$	$ 0
State Contribution	$ 0	$	$ 0
Local Contribution	$ 0	$	$ 0
Other Contribution	$ 0	$	$ 0
Allowable Project Cost	$ 2,221,600	$ -176,293	$ 2,045,307

Assistance Program (CFDA)	Statutory Authority	Regulatory Authority
66.418 - Construction Grants For WWT Works	Clean Water Act: Sec. 201 Omnibus Territory Act: Title V	40 CFR PTS 31 & 35 SUBPT I

Fiscal

Site Name	DCN	FY	Approp. Code	Budget Organization	PRC	Object Class	Site/Project	Cost Organization	Obligation / Deobligation
-	X40001	1993	GB1	096	GB4	4111	-	-	-176,293
									-176,293

-- END OF DOCUMENT --

GUAM WATERWORKS AUTHORITY
Government of Guam

ROUTING SLIP NO. 10/21-4

[A] PREPARE REPLY FOR GM
BY: _____
[B] SEE GM
[C] PROVIDE COMMENTS
SUBMIT BY: _____
[D] HANDLE COORDINATION
[E] TAKE ACTION - PROVIDE FEEDBACK
BY: _____
[F] FOR YOUR INFORMATION
[G] CIRCULATE
[H] PROVIDE INFO/SUPPORT TO
[D]

DIVISION / SECTION			DIVISION / SECTION		
	GENERAL MANAGER	F		**ASSISTANT GM ADMINISTRATION**	
1	QUALITY ASSURANCE		9	PUBLIC INFORMATION OFFICER	
2	MANAGEMENT SUPPORT		10	HUMAN RESOURCES DIV	
3	PLANNING	F	11	PROCUREMENT & SUPPLY	
4	BOARD SECRETARY		12	CUSTOMER SERVICE	
			13	DATA	
	CONTROLLER	F		**ASSISTANT GM OPERATIONS**	
5	ASST. TO THE CONTROLLER		14	ADMINISTRATIVE OFFICER	
6	ACCOUNTING		15	WATER	
7	REVENUE PROTECTION		16	WASTEWATER	F
8	PAYROLL		17	FMES	
			18	ENGINEERING c/l Sewer	E
			19	LABORATORY	

GENERAL MANAGER'S COMMENTS: _____

GIL A. SHINOHARA
Acting General Manager

OCT 21 2002
DATE

Duplication

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION IX
75 Hawthorne Street
San Francisco, CA 94105

RECEIVED
OCT 01 2002
GWA - SPE

Sept. 4, 2002

Gil Shinohara
Acting General Manager
Guam Waterworks Authority
P.O. Box 3010
Hagatna, Guam 96932

Re: Leyang, South Barrigada Collector System, Phase 1A
USEPA Construction Grant No.C660010-30-3

Dear Mr. Shinohara,

I am in receipt of Guam Department of Public Works (DPW) letter dated August 28, 2002, certifying that Government of Guam has full possession of all Right-of-Ways, Right of Occupancy and control of access within the Leyang/South Barrigada Collector System project site. Although the Guam DPW letter provides this certification, it does not fully satisfy the site data informational items.

In the interest of moving the project forward, GWA may proceed forward with the award of the contract for this phase of the project. However, GWA still needs to more fully satisfy the site data information requirement in the near term. Therefore, a description of the site on which the project is to be constructed needs to be provided for the project site area. The description of the site could be a document(s) describing the project site boundary. It was my understanding during discussions with your staff that this type of information was pulled together. However, it was not included with the DPW letter. A short cover letter similar to Guam DPW's with the description of the project site enclosed would satisfy this requirement.

I look forward to receipt of the required site data information and the complete insurance certification form at your earliest convenience. Please also provide me with a copy of the construction and construction management contracts when available.

Should you have any questions regarding these matter, please contact me or have your staff contact me at 415-972-3769 or by e-mail at lee.michael@epa.gov .

Sincerely,

M. J. Lee

Michael J. Lee
Guam Project Officer
Pacific Islands Office

GUAM WATERWORKS AUTHORITY
Aturidåt Kinalamten Hånom Guåhan
Post Office Box 3010, Hagåtña, Guam 96932
Phone: (671) 479-7861/7886 Fax: (671) 649-0158

NOV 04 2002

Mr. Michael Lee, CMD-5
Office of the Pacific Insular & Native American Project
U.S. Environmental Protection Agency, Region IX
75 Hawthorne Street, San Francisco, CA 94105

Ref: Raw Sewage Overflow – Old Chaot Sewer Pump Station

Dear Sir:

This is the final report on the recent overflow that occurred from sewer manholes No. 1 (below the Chaot Bridge) and No. 2 (in front of the gate at the station), which occurred on Wednesday October 30, 2002. The maintenance crew discovered that heavy rags had accumulated around the impeller of pump No. 2 causing it to trip off. The rags were removed and the operation of the pump was restored within a one-hour period from the time of discovery. Although, pump No. 1 remained operational during the entire event it could not handle the flows entering the station.

We estimate sewage spilled at approximately 8,000 gallons.

GWA remains diligent in its efforts to prevent sewage spills and has assumed a proactive approach to their prevention. If you should have any questions regarding this matter, do not hesitate to call the Wastewater Division at 671-479-7885.

Sincerely,

GIL A. SHINOHARA
Acting General Manager

cc: Administrator, GEPA
AGMA, GWA
Lab, GWA
WW CIP, GWA
WW Division

GUAM WATERWORKS AUTHORITY
Aturidåt Kinalamten Hånom Guåhan
Post Office Box 3010, Hagåtña, Guam 96932
Phone: (671) 479-7861/7886 Fax: (671) 649-0158

Mr. Michael Lee, CMD-5
Office of the Pacific Insular & Native American Project
U.S. Environmental Protection Agency, Region IX
75 Hawthorne Street, San Francisco, CA 94105

OCT 28 2002

Ref: Raw Sewage Overflow and Spills

Hafa Adai Mike,

This is to report sewage overflows and spills that resulted directly from an island-wide power loss on Sunday October 13, 2002. The power went off-line at approximately 11:00 a.m., which lasted, depending upon which area of the island your at, anywhere from 3 to 5 hours. Island-power was fully restored within this five-hour period. Estimated spills or overflows were difficult to determined by our operators since the power was not uniformly restored and because crews were simultaneously correcting emergency generator problems.

The following wastewater facilities were affected:

Northern	
Paseo De Oro	Generator problem
Harmon SPS	Generator problem
Rt. 16 (Liguan Terrace) SPS	Generator problem
Hafa Adai SPS	No generator
FEMA SPS	No generator
Astumbo #1 SPS	No generator
Astumbo #2 SPS	No generator
Santa Ana SPS	No generator
Central	
Mamajanao SPS	Backflow from Rt 16 SPS
Chaot SPS	No generator
Mongmong/Toto SPS	No generator
Southern	
Pump Station #13	Pump tripped (would not reset)
Spills	
Manholes along Marine Drive, Tamuning	

GUAM WATERWORKS AUTHORITY
Aturidat Kinalamten Hanom Guahan
Government of Guam
Post Office Box 3010, Hagåtña, Guam 96932
Phone: (671) 479-7808/7823 Fax: (671) 479-7879

OCT 24 2002

Mr. Michael Lee, CMD-5
EPA Project Officer
Office of the Pacific Island and Native
American Program
U.S. Environmental Protection Agency
75 Hawthorne Street
San Francisco, CA 94105

SUBJECT: C660010-30-3 Leyang South Barrigada Collectors, Phase IB Project

Hafa Adai Mr. Lee:

As you are aware, the Guam Waterworks Authority is continuously doing its best to serve the Barrigada community. One of our main concerns is the acquisition of the site for the proposed pump station located along Balaku Street. The immediate family of the late property owners refused our continuous request to convey a piece of property to the government.

In this regard, we would like to notify your agency that we are diverting time and effort to other projects. Construction of phase I of this project still remain unchanged. We would like to use the funds allotted for phase IB to the project at Agat.

Should you have any questions or may require additional information; please call Mr. Nardo Navasca, CIP Sewer Supervisor at (671) 479-7868.

Senseramente,

GIL A. SHINOHARA
Acting General Manager

Attachment (1)

GUAM WATERWORKS AUTHORITY
Aturidat Kinalamten Hanom Guahan
Government of Guam
Post Office Box 3010, Hagåtña, Guam 96932
Phone: (671) 479-7808/7823 Fax: (671) 479-7879

OCT 11 2002

Mr. A. Leonard Smith, Regional Director
Economic Development Administration
U.S. Department of Commerce
Jackson Federal Building, Suite 1856
915 Second Avenue
Seattle, WA 98175-1001

SUBJECT: EDA Award No's 07-49-03910 and 07-49-04841, Tiyan Community Infrastructure

Dear Mr. Smith:

On October 07, 2002, my office received your letter indicating that Guam Waterworks Authority has the opportunity to respond within 28 days of the date to provide satisfactory justification for reconsideration of the termination of both EDA awards. Guam Waterworks Authority has been diligent in coordination with the various agencies, which have involvement and interest in the project, although there are factors that are out of the Guam Waterworks Authority control.

It would be great loss for Guam's economy and social well being in the event the grants are terminated. Consequently, Guam Waterworks Authority is humbly requesting a 45 days extension to provide the Seattle Regional Office with justification for reconsideration of the intended action.

We are working with officials of the Department of Public Work, Department of Land Management and Guam International Airport Authority to secure the justification for you to reconsider the termination of both EDA awards.

Should you have any questions, please contact Mr. Prudencio Aguon, Planner II at 479-7809/7670.

GIL A. SHINOHARA
Acting General Manager

GUAM WATERWORKS AUTHORITY
Aturidat Kinalamten Hanom Guahan
Government of Guam
Post Office Box 3010, Hagåtña, Guam 96932
Phone: (671) 479-7808/7823 Fax: (671) 479-7879

OCT 07 2002

Ms. Elizabeth Stahl, USEPA Specialist
U.S.E.P.A, Region 9
Grants Management Office, PMD-7
75 Hawthorne Street
San Francisco, CA 94105

SUBJECT: XP-97931501-0 Water Infrastructure – Upgrades to Grounds Water Chlorination System

Hafa Adai!

The Guam Waterworks Authority (GWA) is pleased to accept the Federal Grant Award dated September 20, 2002 for the above referenced project.

Enclosed is one of the original signed and dated Grant Agreement you required.

Should you have any questions, please contact Mr. Danilo R. Galiza, CIP Supervisor at 479-7827.

Senseramente,

Gil A. Shinohara
Acting General Manager

Cc: Jesus T. Salas, Administrator
GEPA

EPA Funding Information

FUNDS	FORMER AWARD	THIS ACTION	AMENDED
EPA Amount This Action	$	$ 485,000	$
EPA In-Kind Amount	$	$	
Unexpended Prior Year Balance	$	$	
Other Federal Funds	$	$	
Recipient Contribution	$	$	
State Contribution	$	$	
Local Contribution	$	$	
Other Contribution	$	$	
Allowable Project Cost	$ 0	$ 485,000	$ 48

Assistance Program (CFDA)	Statutory Authority	Regulatory Authority
66.606 - Surveys - Studies - Investigations - Specl	Appropriations Act of 2002 (PL 107-73)	40 CFR PART 31

Fiscal

Site Name	DCN	FY	Approp. Code	Budget Organization	PRC	Object Class	Site/Project	Cost Organization	Obligation Deobligati
-	W6E038	02	E4	09L0QHW	20103B	4183	-	-	485,0
									485,000

Administrative Conditions

1. An interim Financial Status Report (FSR), Standard Form 269A (Rev. 7/97), covering the period from "project/budget period start date" to September 30 of each calendar year shall be submitted to the Grants Management Office, PMD-7, no later than December 31 of the same calendar year. **The initial FSR is due December 31, 2003.** The FSR covering the entire project period shall be submitted within 90 days after the end of the project period (40 CFR Part 31.23(b)).

2. The recipient shall comply with the Single Audit Act and the reporting requirements set forth in OMB Circular A-133.

3. The recipient agrees to complete and submit to the Grants Management Office, PMD-7, a MBE/WBE Utilization Report (EPA Form 5700-52A), within 30 days after the end of the Federal fiscal year, i.e., by October 30 of each calendar year. Negative reports are required.

4. The recipient must ensure to the fullest extent possible that at least 8% (6%=MBE/2%=WBE) of Federal funds for prime contracts or subcontracts for supplies, construction, equipment or services are made available to organizations owned or controlled by socially and economically disadvantaged individuals, women, and historically black colleges and universities.

The recipient agrees to include in its bid documents an 8% (6%=MBE/2%=WBE) "Fair Share" percentage and require all of its prime contractors to include in their bid documents for subcontracts an 8% (6%=MBE/2%=WBE) "Fair Share" percentage.

To evaluate compliance with the "Fair Share" policy, the recipient also agrees to comply with the six affirmative steps stated in 40 CFR Section 30.44(b), Section 31.36(e), or Section 35.6580(a), as appropriate.

5. The cost principles of OMB Circular **A-87** are applicable to this award. Since there are no indirect costs included in the assistance budget, they are not allowable under this Assistance Agreement.

6. In accordance with OMB Circular A-21, A-87, or A-122, as appropriate, the recipient agrees that it will not use project funds, including the Federal and non-Federal share, to engage in lobbying the Federal Government or in litigation against the United States. The recipient's Chief Executive Officer agrees to provide either EPA Form 5700-53, Lobbying and Litigation Certificate, or a written statement certifying that none of the funds have been used to engage in the lobbying of the Federal Government or in litigation against the United States. The certification is due 90 days after the end of the project period and shall be submitted with the final Financial Status Report.

7. Pursuant to EPA Order 1000.25, dated January 24, 1990, the recipient agrees to use recycled paper for all reports which are prepared as a part of this agreement and delivered to EPA. This requirement does not apply to Standard Forms. These forms are printed on recycled paper as available through the General Services Administration.

8. Effective October 1, 1994, the recipient agrees to ensure that all conference, meeting, convention, or training space funded in whole or in part with Federal funds complies with the Hotel and Motel Fire Safety Act of 1990.

Approval to Award.

If the recipient intends to make the award to a firm which did not submit the lowest bid, a written statement shall be prepared before any award, explaining why each lower bidder was deemed nonresponsible or nonresponsive, and shall retain it in his files and submit a copy to the EPA Project Officer.

15. The recipient shall notify the State Historic Preservation Officer (SHPO) immediately upon acceptance of the grant. The recipient shall develop procedures to be employed during project construction to provide appropriate protection and/or salvage of any significant cultural or historic artifacts impacted by the project. The recipient shall notify EPA of these procedures and submit evidence of the SHPO's concurrence prior to initiation of construction.

16. When issuing statements, press releases, requests for proposals, bid solicitations and other documents describing projects or programs funded in whole or in part with Federal money, all recipients receiving Federal funds including but not limited to State and local governments shall clearly state: the percentage of the total costs of the program or project which will be financed with Federal money.

17. The grantee shall notify the EPA Project Officer, ACOE and GEPA before contracted field work begins, to allow oversight inspection and to ensure that work is conducted in accordance with the approved scopes of work, specifications, and schedules. The grantee shall be available during the active stages of the project to ensure the project progresses in a timely manner and on a continuous basis. EPA or its designate may inspect the project at any time. In addition, any construction contract must provide that representatives of EPA will have access to the work and any books, documents, papers, and records of the contractor. The project will be evaluated to the ensure timely completion and expenditure of allowable costs.

19. No payment beyond 90% shall be made until the O&M manual has been approved.

20. The grantee shall submit a 5 year operating plan for the operation and maintenance of the water treatment system by the 50% expenditure level of the project for approval by EPA. The plan shall include, at a minimum, an annual budget for the 5 years, a staffing plan, a capital replacement plan, an updated operation and maintenance manual or standard operating procedures, and a training plan. The budget shall include, at a minimum: 1) sinking fund which shall include the estimated replacement costs; 2) operating fund which shall include chemical costs, power, staffing, and routine O&M; and 3) current revenues and future projected revenues.

21. The grantee shall conduct an analysis of the system's financial health and determine any steps that must be taken to secure good financial standing by the 50% expenditure level of the project. This analysis shall include a study of the current rate structure or revenue source(s) and development of a new rate structure if the current rate structure or revenue source(s) is inadequate to secure good financial standing. The grantee agrees to adopt the new rate structure and any implementing rules and regulations needed to ensure customer compliance with the rate structure.

22. The grantee shall provide a copy of all documents required by the grant conditions to GEPA.

-- END OF DOCUMENT --

EPA Funding Information

FUNDS	FORMER AWARD	THIS ACTION	AMENDE
EPA Amount This Action	$	$ 485,000	$
EPA In-Kind Amount	$	$	
Unexpended Prior Year Balance	$	$	
Other Federal Funds	$	$	
Recipient Contribution	$	$	
State Contribution	$	$	
Local Contribution	$	$	
Other Contribution	$	$	
Allowable Project Cost	$ 0	$ 485,000	$ 4

Assistance Program (CFDA)	Statutory Authority	Regulatory Authority
66.606 - Surveys - Studies - Investigations - Specl	Appropriations Act of 2002 (PL 107-73)	40 CFR PART 31

Fiscal

Site Name	DCN	FY	Approp. Code	Budget Organization	PRC	Object Class	Site/Project	Cost Organization	Obligatio Deobligati
-	W6E038	02	E4	09L0QHW	20103B	4183	-	-	485,(
									485,000

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5. The cost principles of OMB Circular **A-87** are applicable to this award. Since there are no indirect costs included in the assistance budget, they are not allowable under this Assistance Agreement.

6. In accordance with OMB Circular A-21, A-87, or A-122, as appropriate, the recipient agrees that it will not use project funds, including the Federal and non-Federal share, to engage in lobbying the Federal Government or in litigation against the United States. The recipient's Chief Executive Officer agrees to provide either EPA Form 5700-53, Lobbying and Litigation Certificate, or a written statement certifying that none of the funds have been used to engage in the lobbying of the Federal Government or in litigation against the United States. The certification is due 90 days after the end of the project period and shall be submitted with the final Financial Status Report.

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Approval to Award.

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22. The grantee shall provide a copy of all documents required by the grant conditions to GEPA.

-- END OF DOCUMENT --

GUAM WATERWORKS AUTHORITY

Aturidåt Kinalamten Hånom Guåhan
Post Office Box 3010, Hagåtña, Guam 96932
Phone: (671) 479-7861/7886 Fax: (671) 649-0158

OCT 07 2002

Mr. Michael Lee, CMD-5
Office of the Pacific Insular & Native American Projects
U.S. Environmental Protection Agency, Region IX
75 Hawthorne Street, San Francisco, CA 94105

RE: Raw Sewage Overflow – Chaot Collector System

Dear Mr. Lee:

This is an update of the reported sewage overflows that intermittently occur at the sewer manhole located just below the Chaot Bridge, Route 4. As stated earlier, during our weekly telephone conferences, the subject manhole will continue to overflow during collector system peak flow periods until such time that a line upgrade is made to relieve the overloaded sewer line between this manhole and the Chaot sewer pump stations. On Monday, October 07, GWA MTL crews will be raising the height of the overflowing sewer manhole by four feet in an attempt to end the overflows; we will keep you posted on the results of this corrective action.

In a related mater, the Old Chaot SPS has been operating with a single pump since September 09, 2002, which only worsened the overflow situation at the manhole. The two other pump assemblies were turned into repair shops: one for rewinding, the other for seal replacement. Due to the unavailability of replacement seal assemblies on island, the pumps were set aside awaiting the arrival of the new seals. There are no other submersible pump assemblies in our inventory that could have been temporary installed in the station while awaiting the repairs. In the interim, GWA maintenance crews attempted to fabricate a means to add additional pumping capacity to the pump station. Several days into the fabrication, a vendor repaired pump became available. It was immediately installed (October 01, 2002), thereby significantly reducing the amount and frequency of sewage overflows at the subject sewer manhole. The fabrication for the additional emergency pumping capacity continues and should be complete by October 8, 2002.

GWA is unable to provide an estimate of the amount of sewage spilled due to the nature in which the spillage occurred. Heavy rains during the last month and the natural river flow helped to dilute the spill.

GUAM WATERWORKS AUTHORITY
Aturidat Kinalamten Hanom Guahan
Government of Guam
Post Office Box 3010, Hagåtña, Guam 96932
Phone: (671) 479-7808/7823 Fax: (671) 479-7879

OCT 01 2002

U.S. Environmental Protection Agency
Pacific Insular Area Programs (CMD-5)
74 Hawthorne Street
San Francisco, CA 94105

Administrator
Guam Environmental Protection Agency
P.O. Box 22439-GMF
Barrigada, Guam 96921

Re: ORDER ON CONSENT – Quarterly Compliance Progress Report, Third Quarter 2002

Dear Sir:

The following pages and attachments describe the actions taken to date towards completing the compliance activities as specified in the Order on Consent. The reporting format follows the recommendations made by your office (USEPA letter dated June 12, 2002), which should facilitate your evaluation of our compliance actions.

For your information, the following bills were recently enacted into law. A copy of the new laws have been forwarded to your office:

1. Bill 373 (now P.L. 26-37), "An Act To Grant Emergency Procurement Authority To The Guam Waterworks Authority For The Purchase And Installation Of Chlorinators In Guam's Water Well System And For Other Purposes."

2. Bill 356 (now P.L. 26-151), "An Act To Adopt A Partial Budget For The Guam Waterworks Authority For Fiscal year 2003". Your attention is invited to Section 12 of the Act.

3. Bill 364 (now P.L. 26-144) "An act to add Article 4 to Chapter 14 of Title 12 of the Guam Code Annotated, relative to requiring the Guam Waterworks Authority to outsource the maintenance and operation of water wells, booster pump stations, and meters, and for other purposes."

Financial Plan Implementation—Comments on Milestones and Expenditures

GWA Comments:

A - GWA had requested via telephone for a status update from the Public Utilities Commission (PUC) concerning the PUC actions required and milestone deadlines set in the Consent Order. We have yet to receive a response from them and will be following up with a formal letter. The letter and their response will be promptly faxed to your office upon receipt.

B - Deadline will not be met; Consent Order Obligations have been included in FY03 budget. GWA presently attending legislative budget hearings to discuss possible Consent Order funding sources and to address other Consent Order requirements.

C - February 25, 2002

Guam Economic Development Authority (GEDA) issues Solicitation of interest letters to all local banks in an effort to gauge their interest in providing $20 to $25 million dollars of financing in order to begin efforts to comply with USEPA's Consent Order Docket CWA-402-9-01-19. Of the six banks contacted, only four banks responded, and each declined interest in providing financial assistance to GWA. When asked about the reasons for the decline, GEDA was informed that the reason was a lack of a secure revenue source.

April 29, 2002

GEDA issues RFP No. 02-005 referencing P.L. 26-78 which authorizes GWA to incur short-term debt in an amount not to exceed $21.2 million. The RFP is both faxed and hand delivered to all local banks. Additionally, GEDA's Financial Advisors seek interest from off-island banks, primarily in the New York financial district.

May 10, 2002 to present.

GEDA closes RFP No. 02-005 and only the Bank of Guam responds. GEDA's Board of Directors then approves of the formation of a negotiating team tasked with the negotiations of the GWA financing, as well as a $40 million loan request under RFP No. 02-007. The Bank of Guam suggests, and the Government's negotiating team agrees, to discuss RFP No. 02-007 before discussing GWA's financing under RFP No. 02-005. The negotiating team agrees to the interest rate and the maturity dates, however, the Bank requests a legislative amendment specifically pledging Section 30 funds as the repayment source of the $40 million loan. GEDA informs Bank of Guam its legal counsel, the Legislative Counsel (Atty. Therese Terlaje), and the AG's Office believe that the existing language is already sufficient, that such an amendment is not necessary, and that the Bank's requirement for a pledge of Section 30 funds to secure GWA's financing is outside the authorization contained in P.L. 26-78. The financing discussions thereafter cease due to the impasse, and GEDA terminates the negotiations in order to work towards issuing a new RFP. GWA and GEDA are presently discussing this matter and the possible alternatives to securing the legislatively approved short-term debt of $21.2 million.

Approved for Submittal:



GWA Compliance Coordinator

Project Number 4—Comments on Milestones and Expenditures

GWA Comments:

A - Unable to meet milestone deadline due to failure to secure short-term loan (ref: Comments on Financial Plan Milestones).

Approved for Submittal:



GWA Compliance Coordinator

Project Number 8—Comments on Milestones and Expenditures

GWA Comments:

A - Unable to meet milestone deadline due to failure to secure short-term loan (ref: Comments on Financial Plan Milestones).

Approved for Submittal

GWA Compliance Coordinator

Project Number 12—Comments on Milestones and Expenditures

GWA Comments:

A - Unable to meet milestone deadline due to failure to secure short-term loan (ref: Comments on Financial Plan Milestones).

Approved for Submittal:



GWA Compliance Coordinator

Project Number 14—Comments on Milestones and Expenditures

GWA Comments:

A - Unable to meet milestone deadline due to failure to secure short-term loan (ref: Comments on Financial Plan Milestones).

Approved for Submittal:

GWA Compliance Coordinator

MINA'BENTE SAIS NA LIHESLATURAN GUÅHAN
2002 (SECOND) Regular Session

CERTIFICATION OF PASSAGE OF AN ACT TO *I MAGA'LAHEN GUÅHAN*

This is to certify that Substitute Bill No. 356 (COR)," AN ACT TO ADOPT A PARTIAL BUDGET FOR THE GUAM WATERWORKS AUTHORITY FOR FISCAL YEAR 2003," was on the 17th day of September, 2002, duly and regularly passed.

ANTONIO R. UNPINGCO
Speaker

Attested:

JOANNE M.S. BROWN
Senator and Legislative Secretary

This Act was received by *I Maga'lahen Guåhan* this 17 day of September, 2002 at 1135 o'clock P .M.

Assistant Staff Officer
Maga'lahi's Office

APPROVED:

CARL T. C. GUTIERREZ
I Maga'lahen Guåhan

Date: September 29, 2002

Public Law No. 26-151
Became law without the signature of I Maga'Lahen Guahan, the Governor of Guam.

effect a freeze on all GWA salary increments and merit bonuses which shall remain in effect through September 30, 2003, and shall be applicable to all positions within GWA.

(2) **Continuation of Annual Review.** The freeze on GWA salary increments shall *not* preclude GWA from conducting normal personnel reviews, which routinely precede salary adjustments for each employee.

Section 7. GWA Budget Reserve Account. GWA shall maintain and continue the *"GWA Budget Reserve Account."*

(a) Funds within the "GWA Budget Reserve Account" shall *not* be used, transferred nor otherwise expended by GWA, nor any other government official nor entity, without the prior consent and appropriation by *I Liheslaturan Guåhan*. GWA shall carry-over all funds from Fiscal Year 2002 which were deposited in the "GWA Budget Reserve Account" and which were *not* appropriated by *I Liheslaturan Guåhan*. In addition to funds carried over from Fiscal Year 2002, the funding for all positions vacant on October 1, 2002, or becoming vacant thereafter, including all personnel funds which are *not* used or expended, shall revert to the GWA Budget Reserve Account.

Section 8. Build-Operate-Transfer ("BOT") Projects. Notwithstanding any other provision of law to the contrary and in addition to the PUC's oversight authority over BOT activities as conferred by Public Law Number 26-14, the PUC shall continue to authorize and to designate the BOT projects which shall be undertaken by GWA, and to establish the scope and

Section 12. Regulatory Compliance. *I Liheslaturan Guåhan* continues to express serious concern over the U.S. Environmental Protection Agency's Administrative Order on Consent in PUC Docket Number CWA-402-9-01-019 dated August 16, 2001. This Order reports chronic GWA violation of Federal environmental law and orders GWA to submit a financial plan by January 31, 2002 to secure an estimated Ninety Million Dollars ($90,000,000) to bring its wastewater collection, treatment and disposal systems into compliance with its NPDES permits and the Clean Water Act. Under existing law, any such financial plan shall require the approval of *I Liheslaturan Guåhan* and the PUC. Accordingly, PUC shall report to *I Liheslaturan Guåhan* during its December, 2002 regulatory session upon the following matters:

(a) A proposed GWA financial plan, including recommendations, in consultation with Guam Economic Development and Commerce Authority, as to available and appropriate sources of funding for the plan. The plan should evaluate the rate impact of each funding alternative.

(b) The feasibility of using the BOT statutes, Public Law Number 24-37, as amended by Public Law Number 26-14, to undertake the corrective actions mandated by the Administrative Order. In addressing this matter, PUC shall examine relevant operational issues.

(c) The impact of the financial plan on GWA's approved FY2003 budget.

(d) Federal grants and loan programs available for water utilities.