



# At a Glance

## Why We Did This Review

The U.S. Environmental Protection Agency, Office of Inspector General, conducts site visits of American Recovery and Reinvestment Act of 2009 (Recovery Act) clean water and drinking water projects. The purpose of our visit was to address a hotline complaint involving compliance with the Recovery Act's Buy American requirement.

## Background

The Village of Itasca received a \$20 million loan from the state of Illinois through the Water Pollution Control Loan Program. The loan included \$10 million in Recovery Act funds. The village used these funds to construct a new wastewater treatment plant.

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

The full report is at:  
[www.epa.gov/oig/reports/2012/20120330-12-R-0377.pdf](http://www.epa.gov/oig/reports/2012/20120330-12-R-0377.pdf)

## ***American Recovery and Reinvestment Act Site Visit of Wastewater Treatment Plant, Village of Itasca, Illinois***

### What We Found

We conducted an unannounced site visit of the Recovery Act project to build a new wastewater treatment plant in the Village of Itasca, Illinois, in April and May 2011. As part of our site visit, we toured the project, interviewed village officials and engineering and contractor personnel, and reviewed documentation maintained by the village related to the Buy American requirements of the Recovery Act and contract procurement.

The Village of Itasca did not comply with the Buy American requirements of the Recovery Act. Steel pipes and fittings used in the project were manufactured in foreign countries. We also identified other manufactured goods that did not comply with the Buy American requirements of the Recovery Act. As a result, the project is not eligible for the \$10 million of Recovery Act funds authorized by the state, unless the U.S. Environmental Protection Agency exercises a regulatory option.

### What We Recommend

We recommend that the Regional Administrator, Region 5:

1. Require the state to withdraw Recovery Act funds, unless the state can verify that Itasca has complied with Buy American requirements.
2. Employ the procedures set out in the Code of Federal Regulations to resolve any iron, steel, and manufactured good that do not comply with Buy American requirements.
3. Verify that the substitutes for the German-made micropilots meet Buy American requirements.