

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

WASHINGTON, D.C. 20460

November 3, 2022

OFFICE OF MISSION SUPPORT

MEMORANDUM

- **SUBJECT:** Exception from 40 CFR 35.3520(e)(1) for the Raw Water Intake Improvement Project for the City of Aguadilla, Puerto Rico
- **FROM:** Kysha Holliday, Deputy Director National Policy, Training and Compliance Division
- **TO:** Jennifer L. McLain, Director Office of Ground Water and Drinking Water

I am responding to your September 22, 2022 request for an exception from the prohibition of dams as eligible projects at 40 CFR 35.3520(e)(1) in implementing the Drinking Water State Revolving Fund (DWSRF) under the Safe Drinking Water Act (SDWA). This exception will allow the Commonwealth of Puerto Rico to use DWSRF funds for the City of Aguadilla's Raw Water Intake (RWI) Improvement Project. In addition to your exception request dated September 22, 2022, the Office of Ground Water and Drinking Water (OGWDW) also provided substantial rationale for this exception in the *Policy and Technical Evaluation in Response to Puerto Rico's Request for a Deviation for Improvements to City of Aguadilla's Raw Water Intake Improvement Project* (September 2022). For the reasons discussed below, I approve the exception.

BACKGROUND

OGWDW received a request from the Commonwealth of Puerto Rico for an exception from the prohibition of DWSRF financing of dams in regulations at 40 CFR 35.3520(e)(1) implementing the DWSRF under the Safe Drinking Water Act (SDWA). Puerto Rico is seeking this exception to use DWSRF funds to construct a new low head dam which is needed as part of the City of Aguadilla's RWI Improvement Project. The Puerto Rico Aqueduct and Sewer Authority (PRASA) has identified the City's RWI as needing improvements due to reliability issues and increased operational costs caused by the high sediment loads in the river. The City's RWI serves La Montana Water Treatment Plant (WTP) and the Culebrinas WTP. The Culebrinas WTP produces 5 million gallons per day (MGD) and La Montana WTP produces 15 MGD, combined they serve the City of Aguadilla's 128,103 inhabitants. Both treatment plants' operations have been affected due to the excessive transport of sediment in the raw water. The current location of the RWI allows heavy sediment and debris to enter the pump station, causing abrasive damage to impellers and mechanical seals. Several times a year, the pumps require maintenance and repair, putting the treatment plants out of service. In addition, the RWI is located at the interior of a meander in the stream resulting in considerable sediment accumulation in front of the intake screens with no mechanism to automatically clean them. To combat this currently, an excavator is permanently maintaining the existing intake, removing accumulated material from in front of the screens on a daily basis. This is a significant annual operation and maintenance cost for the City. This situation deprives the City's residents of reliable access to safe drinking water, thereby impacting human health.

The RWI Improvement Project will involve multiple improvements to the intake structure to enhance the reliability of the system, including a new concrete low head dam, relocating the intake further downstream, installation of a grit chamber to capture sand, and installation of an Obermeyer gate. This project will increase reliability of the water system, reduce operational and maintenance costs, and minimize operation interruptions and provides the most reliable and sustainable long-term solution.

OGWDW supports Puerto Rico's exception request based on their technical analysis and the public health threat to the existing population in the City of Aguadilla. SDWA § 1452(b)(3)(A) states that DWSRF funding should prioritize "projects that address the most serious risk to human health." The RWI Improvement Project meets this criterion because it is needed for the City of Aguadilla to provide an adequate drinking water supply. Consistent with SDWA, the principal purpose of this project is to maintain public health protection through adequate drinking water supply for the existing population, not for growth from new development. Without DWSRF assistance, the City of Aguadilla would not be able to afford the project.

DISCUSSION

At the request of OGWDW, the Office of Grants and Debarment approved a class exception to 40 CFR 35.3520(e)(1) and (3) on June 21, 2021. New or relocated dams were not an eligible DWSRF project under this class exception; therefore, an individual exception from 40 CFR 35.3520(e)(1) is required for the City of Aguadilla's RWI Improvement Project.

ACTION

I have reviewed this request for an exception from 40 CFR 35.3520(e)(1) for the RWI Improvement Project. The project will allow the City of Aguadilla to reliably provide safe drinking water, thus decreasing public health risks to its existing residents. The project is consistent with the SDWA, and the exception is in the best interest of the Agency and the public. Therefore, as provided at 2 CFR 1500.4(b), I approve the exception from 40 CFR 35.3520(e)(1) to allow the Commonwealth of Puerto Rico to use DWSRF funds to finance the City of Aguadilla's RWI Improvement Project.

cc: Michael Osinski, Office of Grants and Debarment Yu-Ting Guilaran, Office of Ground Water and Drinking Water Anita Thompkins, Drinking Water Infrastructure Development Division Cynthia Simbanin, Drinking Water Infrastructure Development Division Howard Rubin, Water Finance Branch Kiri Anderer, Water Infrastructure Technical Support Branch John Towe, Water Infrastructure Technical Support Branch Tracey Miller, Office of Water Joanne Hogan, Office of General Counsel Meghan Kelley, Office of General Counsel Rudy O'Neal, Region 2 Grants Management Office Sheri Jewhurst, Region 2 Grants Management Office