

**ARPA Project Name: Clean Water: Transmission & Distribution Program**

**ARPA Funds: \$20,000,000.00**

<b>5.11</b>	<b>Drinking water: Transmission &amp; Distribution</b>	<b>\$20,000,000.00</b>
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**ASPA**

**Timeline to implementation: 6 months to 1 year**

**Overview**

To improve a failing water distribution system first commissioned over 50 years ago. It is estimated that the current water transmission piping system loses 60% due to leaks, deteriorating pipes and breakdown of the distribution system. American Samoa has been under a boil water notice for over ten years throughout most of the territory. SLFRF funding for this water infrastructure program will assist American Samoa to provide access to safe and clean drinking water.

**PROJECT BACKGROUND**

The COVID-19 Public Health Emergency has had a great impact on American Samoa’s public health infrastructure and services, as well as the local economy. The projects identified in this document are to be funded using American Rescue Plan Act (ARPA) funds from the federal Government in accordance with the requirements of the Act.

American Samoa remains the only part of the United States of America and its Territories that has been blessed with zero cases of locally transmitted COVID-19 virus. While we are grateful for this blessing, it was not accidental that American Samoa has remained COVID-19 free. It required tremendous sacrifice by the people of American Samoa to keep their loved ones safe and protected. We are fortunate to have the support and federal assistance of the various COVID-19 relief and recovery funds to help meet the challenges as a result of the COVID-19 pandemic and the public health emergency declaration.

The negative economic impact of Covid 19 and the public health emergency declaration have made it necessary and a priority to address the needs of the territory for accessing safe and clean drinking water. For these reasons, improvements to the water transmission and distribution system are critical as many of the territory’s pipelines are in deteriorating conditions and are in need of repair and/or replacement. There are exposures and wide presence of lead service pipelines all over the territory posing high risk and danger to public health and access to clean drinking water.

Some parts of the island community are not connected to the government water supply system, relying heavily on a dilapidated water reservoir constructed more than 50 years ago. This calls for urgency as those villages, households, and businesses are at serious risk and danger due to contamination and lack of access to adequate supply of drinking water. There are times the public is alerted to boiling water notices but this can be a burden to the public requiring a stove, adequate gas and electricity. This means there are barriers to meeting the proper boiling levels for safe drinking water. Others have resorted to purchasing water bottles for clean drinking water. The downsides of this are a water bottle supply shortage because many are imported, and also the price inflation makes it unaffordable for others to access clean water. This makes it much more important to make necessary improvements to the territory’s water transmission and distribution system to ensure safe and clean drinking water is accessible, affordable and available to the entire community.

**(a) KEY STAKEHOLDERS**

The water transmission and distribution project is to be developed and designed by ASPA Management with all key stakeholder(s) input and contribution

- ASPA
- EPA
- Treasury
- Other branches of Government (legislative representation)
- NGO's
- Non-profit
- Private sector representation
- ARPA Oversight Office

**(b) COMMUNITY ENGAGEMENT**

Community engagement is an essential aspect of ARPA funded projects. The intent of the US Treasury in fostering public participation is to maintain transparency and provide opportunities for feedback to ensure that funds are used in the most beneficial manner.

In keeping with the intent of the US Treasury, the American Samoa ARPA Oversight Office has adopted the following notice and comment timeline for proposed projects:

- A Notice of Proposed Project will be published online, in local newspapers, and via television or radio broadcasts. The Notice will specify that there will be twenty (20) days for the public to provide comment either in writing or by attendance at scheduled public hearings.
- Concurrent to the publication of the Notice, a draft proposal and scope of work will be published on the ARPA website for the public to review.
- General meetings with the public will be scheduled and publicized within the twenty (20) day Notice period. Email comments will also be accepted.
- Presentations to the Legislature will be conducted during the Notice period, as needed.
- At the close of the public comment period, the agency will have 20 days to revise the project as appropriate and submit the Final Draft to the ARPA Oversight Office.
- The Final Draft of the Project will be posted for public review once completed and certified by the ARPA Oversight Office.

It is the responsibility of the agencies in charge to publicize notices and adhere to the stated timelines. For the water transmission and distribution infrastructure project, ASPA management will be in charge of anticipated date for the Notice of Proposed Project will be \_\_\_\_\_, 2021.

**(c) TIMELINE ON PROJECT LAUNCH**

ARPA Funds are required by federal statute to be encumbered by December 31, 2024 or spent by December 31, 2026. This mandate makes the need for a definite timeline for completion of projects of critical importance.

The water transmission and distribution project must identify the proposed start date, the completion dates of each phase of the project, inclusion of any notice/bid periods for procurement purposes, and an estimated date of completion, along with any other dates relevant to the project progress.

**(d) SCOPE of Project (Water Transmission and Distribution System)**

Each proposed project must be submitted to the ARPA Office with a cover letter addressed to the Executive Director. Submittals must include the proposed plan as detailed above. ARPA will review of eligibility and compliance to the American Samoa ARPA Spending Plan.

Once approved, an award certified letter will be provided verifying the project description and project lead.

Project Leads which is ASPA management must provide the following:

1. Project Description and/or Business Plan
2. Completed Eligibility Analysis
3. Scope of Work
4. Implementation Plan & Timeline
5. Proposed itemized budget
6. Project Lead

Define scope of project based on response to Covid-19 pandemic and the public health emergency declaration

1. Meet statutory requirements and eligibility for types or categories of projects:
  - a. IFR allows for project categories and activities that are aligned with the Environmental Protection Agency's (EPA) Drinking Water State Revolving Funds (DWSRF) and Clean Water State Revolving Funds (CWSRF)
  - b. DWSRF categories of eligible projects:
    - i. Transmission and distribution include lead service line replacement
    - ii. Treatment
    - iii. Source rehabilitation and decontamination
    - iv. Storage
    - v. Consolidation
    - vi. New systems development
  - c. CWSRF categories of eligible projects:
    - i. Construction of publicly-owned treatment works

- ii. Construction of publicly-owned treatment works
  - iii. Nonpoint source pollution management
  - iv. National estuary program projects
  - v. Decentralized wastewater treatment systems
  - vi. Stormwater systems
  - vii. Water conservation, efficiency, and reuse measures
  - viii. Watershed pilot projects
  - ix. Energy efficiency measures for publicly-owned treatment works
  - x. Water reuse projects
  - xi. Security measures at publicly-owned treatment works
  - xii. Technical assistance to ensure compliance with Clean Water Act
- d. Projects must comply and adhere to drinking water and wastewater health standards.
- i. Describe the type of project and explain why it is necessary and a priority over other eligible types of project and activities
  - ii. Provide details and explanation of project plans and different phase stages and timeline
2. Please include any challenges and hardships to be expected that can cause delays and interruptions
  3. Provide details of plans and phases and the required timeframe to complete a specific area or location and what the plan will be to accommodate customers during extended water shut off times
  4. Provide explanation and factors considered (economical, order of priority, etc.) in determining why a particular location or population area is selected to be in the first phase stage of the project
    - Projects to be considered are those replacing lead service lines
    - Provide the types or kinds of water pipelines to be used for replacing lead and other deteriorating pipelines. Explain why these types are selected for the project and their benefits or advantages over other types and how they will achieve the goals of high-quality health standards and access to safe and clean drinking water over the long term.
    - Provide information on whether or not all water pipelines include non-lead will be replaced. The frequent leakage of water pipes primarily the rubber pipes cause delays, disruptions and a waste of water resource. Explain why not all pipes will be replaced.
    - Define the targeted population for improvements in water distribution project
      - i. Provide data supporting conclusion in determining such targeted population
      - ii. Census 2020 is a good source of information for retrieving current data on particular location or population area lacking access to adequate water services and safe and clean drinking water.

- iii. Explain why it is necessary and a priority to assist such population. Are there urgent needs which require immediate actions to improvements to water distribution?
  - Define projected improvements to water distribution to address and respond to needs of the unserved or underserved population
  - Provide data, evidence-based information or an analysis, if possible, to support because such population (village, district, etc.) is a priority over another population area.
  - The negative economic impact of Covid and public health emergency have put urgency to the need to improve and provide access to adequate supply of safe and clean drinking water. This means projects must incorporate good planning and assessments using current data and analysis to ensure compliance and completion of projects in a timely manner.
  - Project must take into consideration the seriousness of lacking access to safe drinking water given the negative impact of Covid, supply chain issues delaying imported goods such as water bottles and the health risks and danger posed to the public.
  - Accessibility to safe drinking water is necessary and can be an implication affordability options for residential and business customers should be encouraged. This will ensure compliance in meeting desired outcomes and by incorporating affordability options customers are provided with opportunities for accessing more water usage to clean and safe drinking water.

Priority will be given to projects that meet the following:

1. Ensure compliance with health and environmental safety requirements
2. Address the most serious risks to human health
3. Assist systems most in need on a per household basis according to state affordability criteria

Project should take into consideration options that support green infrastructure investments and those that address effects of climate change.

Project must be carried out in order to achieve high-quality infrastructure, avoid disruptions and costly delays and encourage efficiency.

Provide proposed itemized budget:

- Provide information on any additional funding from other sources to be used to supplement or cover some or most of the project expenses. If the additional funding source is not currently available, on hold, or awaiting approval provide explanation and expected date of availability.
- SLFRF funds are prohibited from being used as matching funds for any type of programs including federal such as EPA's CWSRF and DWSRF programs.
- Provide an expenditure schedule for each project and its main activities to achieve project outcomes

- Provide a financial plan for projects sustainability post ARPA funding

**(e) Adherence to ASG Procurement Process**

ARPA funds are subject to the Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards (2 CFR Part 200). Specifically, these regulations require ASG to follow local procurement laws in using these funds. 2 CFR 200.317. The lead agency for each project (in the case of the Water Infrastructure Projects this will be ASPA) will work in concert within its established Procurement procedures to ensure that all procedures and requirements are followed and documented. All agencies are reminded that ARPA funds will be subject to federal audits.

<b>CLAUSE</b>	<b>REQUIRED BY AMERICAN SAMOA ADMINISTRATIVE CODE</b>	<b>APPLIES TO</b>
EQUAL OPPORTUNITY	10.0250(d)(3), 10.0260(c)	All Contracts in excess of \$10,000
DAVIS BACON ACT	10.0250(d)(5)	Construction contracts that exceed \$2,000 and when required by federal grant program legislation
CONTRACT WORK HOURS AND SAFETY STANDARDS ACT	10.0250(D)(6); 10.0260(D)	Construction contracts in excess of \$2,000 or contracts in excess of \$2,500 which involve employment of mechanics or laborers
CLEAN AIR AND WATER	10.0250(d)(7); 10.0260(f)	All contracts over \$100,000 (unless requirement has been waived by EPA)

In addition to the above required clauses, ASG Procurement Rules give preference to local bidders in construction projects. For contracts valued at \$50,000 or less, only local bidders are allowed to participate. For those greater than \$50,000, local bidders are given specified add-on percentages. This local preference leads to a greater number of local employees and overall income that is much needed in the Territory. This policy has a direct effect on local stimulation of the economy.

**(f) Reconsideration Process**

In accordance with Executive Order 03-2021, the ARPA Oversight Office reserves the right to determine which projects will receive funding based on a number of factors including but not limited to ensuring compliance with all federal requirements. The Office, however, recognizes that some of these determinations may adversely affect interested parties. For the purposes of this section, an interested party will be limited to applicants for direct funding opportunities for projects.

A process for reconsideration of denied projects is hereby implemented. For clarity, this process is separate and apart from any procurement disputes subject to the jurisdiction of the Office of the Administrative Law Judge. ASCA 4.0604(f).

*Covered Disputes:*

The dispute resolution process will be limited to ARPA Oversight Office denials of project awards. As an office of limited purview, the covered disputes identified above shall not be considered final agency decisions for the purpose ASCA 4.0604.

*Reconsideration Requests:*

Interested parties will have 5 business days from the announcement of awards by the ARPA Oversight Office to file a "Reconsideration Request" with the Director. The announcement of awards will mean each project is "provisionally awarded" the requested ARPA funds.

The request will detail the basis for reconsideration including the project award denial being challenged, how the decision adversely affects the party, how the requested change would benefit the objectives of the American Rescue Plan Act.

A hearing shall be held within 5 days of filing the Reconsideration Request with the Director. The Director shall issue a notice of hearing to the filing party.

The hearing will be conducted by a three-member panel headed by the Director. Panel members will be selected by the ARPA Oversight Office. The panel will have an advisory role, but the ultimate decision-making authority shall be the Director's.

Parties to the dispute may present evidence, materials, and witnesses in support of their claims. The Director will have discretion to limit presentation of evidence, materials, or witnesses.

Upon completion of the hearing, which shall not exceed two hours, the panel will consider arguments and evidence presented in the Reconsideration Request and at the hearing. The Director shall be responsible for rendering a decision on the issues presented within three (3) business days of the conclusion of the hearing. "

**(g) Local Certification/Licensing/Permitting**

Each project will require adherence to applicable local licensing, certification, and permitting laws. For the new village community health centers Project, DOH will be responsible for obtaining each necessary approval prior to the start date. A list of these documents as well as copies should be submitted to the ARPA Oversight Office.

**(h) ARPA Compliance Requirements**

- Project must use strong labor standard practices to promote effective and efficient delivery of high-quality projects and services. This helps support economic recovery via strong employment opportunities and promote local hiring of workers.
- Project must be performed to accomplish expected results of providing high-quality infrastructure, avoid disruptions and costly delays and promote efficiency.
- Project must be in compliance with applicable health and environmental safety requirements
- Project must ensure upon completion compliance with drinking water and wastewater standards for protection of public health and safety.
- Project must be in compliance with all relevant laws, rules and regulations.
- Project must consider targeted populations or location areas that are at high risk and poses danger to human health due to lack of access to safe and clean drinking water
- Project must seriously consider the negative economic impact of Covid pandemic and the public health emergency connected to the lack of adequate supply and accessibility to clean and safe drinking water
- Project must assist systems that are in urgent need on a per household basis according to state affordability criteria.

**(i) ARPA Reporting Requirements**

ARPA requires monthly, quarterly and annual reporting to be submitted by the sub-recipients on projects progress and expenditures. The American Samoa ARPA Oversight Office will, therefore, be requesting information from relevant agencies in order to meet the strict deadlines set forth in the US Treasury’s Reporting and Compliance Guide. Each agency must provide the requested information or an explanation as to why information is not available by the time specified by ARPA Oversight Office staff. Failure to do so could jeopardize future funding opportunities. All ARPA infrastructure funding sub-recipients are required to submit Project and Expenditure Reports.

**1. Monthly and Quarterly Reporting**

- Monthly reports will cover one calendar month and must be submitted to ARPA on the 10<sup>th</sup> of the month or next business day
- Quarterly reports will cover one calendar quarter and must be submitted to Treasury within 30 calendar days after the end of each calendar quarter.
- The table below summarizes the quarterly report timelines for sub-recipients:

<b>Report</b>	<b>Year</b>	<b>Quarter</b>	<b>Period Covered</b>	<b>Due Date</b>
1	2021	2 - 4	Award Date – December 31	January 10, 2022
2	2022	1	January 1-March 31	April 10, 2022
3	2022	2	April 1-June 30	July 10, 2022
4	2022	3	July 1-September 30	October 10, 2022



5	2022	4	October 1-December 31	January 10, 2023
6	2023	1	January 1-March 31	April 10, 2023
7	2023	2	April 1-June 30	July 10, 2023
8	2023	3	July 1-September 30	October 10, 2023
9	2023	4	October 1-December 31	January 10, 2024
10	2024	1	January 1-March 31	April 10, 2024
11	2024	2	April 1-June 30	July 10, 2024
12	2024	3	July 1-September 30	October 10, 2024
13	2024	4	October 1-December 31	January 10, 2025
14	2025	1	January 1-March 31	April 10, 2025
15	2025	2	April 1-June 30	July 10, 2025
16	2025	3	July 1-September 30	October 10, 2025
17	2025	4	October 1-December 31	January 10, 2026
18	2026	1	January 1-March 31	April 10, 2026
19	2026	2	April 1-June 30	July 10, 2026
20	2026	3	July 1-September 30	October 10, 2026
21	2026	4	October 1-December 31	March 10, 2027

## 2. Annual Reporting

- The initial Project and Expenditure Report will cover from the date of award to September 30, 2021 and must be submitted to Treasury by October 31, 2021. The subsequent annual reports will cover one calendar year and must be submitted to Treasury by October 31. The table below summarizes the report timelines for sub-recipients

Report	Period Covered	Due Date
1	Award Date – December 31	January 10, 2022
2	January 1, 2022 – September 30, 2022	October 10, 2022
3	October 1, 2022 – September 30, 2023	October 10, 2023
4	October 1, 2023 – September 30, 2024	October 10, 2024
5	October 1, 2024 – September 30, 2025	October 10, 2025
6	October 1, 2025 – September 30, 2026	October 10, 2026
7	October 1, 2026 – December 31, 2026	January 10, 2027

## 3. Required Information

- A. Project Status
  - a) The project name,
  - b) Identification number (created by the recipient),
  - c) Project expenditure category (see Appendix 1, Compliance and Reporting Guidance),
  - d) Project expense allocation to budget
  - e) Description, and status of completion.
    - Not started
    - Completed less than 50 percent

- Completed 50 percent or more
- Completed

Project descriptions must describe the project in sufficient detail to provide understanding of the major activities that will occur, and will be required to be between 50 and 250 words. Projects should be defined to include only closely related activities directed toward a common purpose.

#### B. Project Expenditures

- Current period obligation
- Cumulative obligation
- Current period expenditure
- Cumulative expenditure

#### C. Subawards

The following information is required for Contract, Grant, Loan, Transfer, or Direct Payment greater than or equal to \$50,000:

- a) Subrecipient identifying and demographic information (e.g., DUNS number and location)
- b) Award number (e.g., Award number, Contract number, Loan number)
- c) Award date, type, amount, and description
- d) Award payment method (reimbursable or lump sum payment(s))
- e) For loans, expiration date (date when loan expected to be paid in full)
- f) Primary place of performance
- g) Related project name(s)
- h) Related project identification number(s) (created by the recipient)
- i) Period of performance start date
- j) Period of performance end date
- k) Quarterly obligation amount
- l) Quarterly expenditure amount
- m) Project(s)
- n) Additional programmatic performance indicators for select Expenditure Categories (see below) Aggregate reporting is required for contracts, grants, transfers made to other government entities, loans, direct payments, and payments to individuals that are below \$50,000. This information will be accounted for by expenditure category at the project level.

#### D. SAM.gov

- Subrecipients must be compliant with registering and maintaining an active profile on the System for Award Management System (SAM) (<https://www.sam.gov>)
- All entities wishing to do business with the Federal Government must have a unique entity identifier (UEI). Currently, the DUNS number, which is a unique nine-character identification number is the official UEI.
- In registering on SAM.gov you will complete the following steps (details are available on SAM.gov):
  - i) Request a DUNS number
  - ii) Prepare your data
  - iii) Get a Login.gov Account
  - iv) Submit and Finish