



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY


WASHINGTON, D.C. 20460

JUL 13 2006

OFFICE OF
WATER

MEMORANDUM

SUBJECT: Final Allotments for the FY2006 Drinking Water Infrastructure Grants -
Territorial Set-Aside Program

FROM: 
Stephen F. Heare, Director
Drinking Water Protection Division, OGWDW (4606M)

TO: Regional Drinking Water Program Managers
Regions II and IX

On Tuesday, August 2, 2005, President Bush signed Public Law 109-54 (HR 2361) - "The Department of the Interior, Environment, and Related Agencies Appropriations Act, 2006". The Act initially provided \$850,000,000 for the Drinking Water State Revolving Fund (DWSRF). The program funding was, however, affected by two subsequent rescissions, bringing the final amount of funding available for the DWSRF program down to \$837,494,900.

The Safe Drinking Water Act allows us to use up to 0.33 percent of the amount that is available for DWSRF grants to States for grants for Territorial infrastructure projects. After setting aside \$12,562,400 for the Tribal program and \$2,000,000 for Unregulated Contaminant Monitoring, there is a total of \$822,932,500 available for grants to States. Of this amount, \$2,715,700 (0.33 percent) has been set-aside for the Territorial program. The territorial allotments, based on this set-aside, are attached.

As I noted in my July 14, 2005 memo which provided you with the FY2006 tentative allotments, each of the territories percentage share of the available funding has changed since the FY2005 allotments. The allotments are based, in a large part, on the results of the water system needs identified in most current Drinking Water Infrastructure Needs Survey. In June 2005, EPA released a new needs survey – the "*Drinking Water Infrastructure Needs Survey and Assessment – Third Report to Congress*". The needs in the new survey have replaced the prior survey statistics that had been used in the allotment formula for the past four years. The water system needs identified in the new Needs Survey have decreased slightly for the Virgin Islands and American Samoa while the needs for Guam and the Northern Mariana Islands have more than doubled. As a result, the allotments for Guam and the Northern Mariana Islands have increased while those for the Virgin Islands and American Samoa have decreased.

Finally, as a reminder, all awards using these funds must adhere to the FY2006 guidance that was contained in my July 14, 2005 memorandum which provided you with the "tentative" allotments. In summary, that guidance noted that EPA Order 5700.7 applies to any grants made under Territorial Set-Aside program.

If you have any questions about the allotment calculations, please give me a call, or have your staff call Ray Enyeart on (202) 564-3829.

Attachment

**FINAL FY2006 Allotments
Drinking Water Infrastructure Grants
Territorial Set-Aside Program**

*Based on \$837,494,900 in EPA's Operating Plan for the DWSRF
- a total of \$2,715,700 is available for the Territorial Program -*

Virgin Islands	\$844,300
Total to Region 2	\$844,300
American Samoa	\$203,700
Guam	\$896,300
Northern Mariana Islands	\$771,400
Total to Region 9	\$1,871,400
NATIONAL TOTAL:	\$2,715,700