

STATE OF ALASKA

DEPT. OF ENVIRONMENTAL CONSERVATION
DIVISION OF WATER
VILLAGE SAFE WATER PROGRAM

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September 6, 2011

Native Council of Port Heiden
ATTN: Annie Christensen, President
PO Box 49007
Port Heiden, Alaska 99549

SUBJECT: Notice of Cancellation of the EPA Grant (06EE15)

Dear Ms. Christensen and Council Members:

In 2006, the Environmental Protection Agency (EPA) provided grant funding through Village Safe Water (VSW) to the Native Council of Port Heiden for the design and construction of a washeteria. In 2008, the Denali Commission provided additional funding through VSW for the washeteria. To date, a water well and a design of a small washeteria have been completed using funds from both grants.

In a letter dated August 6, 2009, VSW informed the Native Council of Port Heiden that the selected floor plan for the proposed washeteria project was deemed not financially feasible, nor sustainable. Instead, we proposed that the Denali Commission funding be used for treating the high levels of iron and manganese (found in many individual residential wells) with an in-home water treatment (WT) unit. A month later, the Denali Commission wrote a letter, dated September 23, 2009, confirming our decision not to proceed with the washeteria and agreeing to use their funding for the in-home WT units if the piloting of the unit was successful. The Denali Commission grant (08DK43) was formally amended earlier this year.

On June 15, 2011, VSW met with representatives from EPA and the Denali Commission to discuss the current status of the project. With the piloting of the in-home WT unit found to be successful, it appears that remaining funds in the Denali Commission grant would be sufficient to write a business plan for establishing a utility to operate and maintain the in-home WT units and if the business plan is viable, to install the units in all eligible homes with existing wells and none of the remaining EPA funds will be needed.

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Also, at this meeting, we discuss if EPA could provide additional funding of \$600,000 to fully fund the capital cost of building the smaller washeteria per the design. Given the fact that Port Heiden residents are adequately served by individual wells and onsite septic systems and concerns that still remain for sustaining a smaller washeteria when there is a washer and dryer in every home, EPA decided that it would be best to cancel the grant and use the remaining funds in another community where the health benefits would be greater.

VSW regrets the cancellation of the EPA grant (06EE15) but we understand and agree with the reasons. On the positive side, the community has a water supply for the washeteria and "shovel ready" plans and specifications for a washeteria that can be presented while pursuing construction funding from other funding sources. We look forward to proceeding with the in-home WT project, which will greatly improve the water quality of the wells.

Please contact Emily Kloc at (907) 269-7428 or Emily.Kloc@alaska.gov to discuss this matter further.

Sincerely,



Greg Magee, P.E.
VSW Program Manager

cc: Emily Kloc, Village Safe Water
Dennis Wagner, EPA
Adison Wetzal, Denali Commission