



GUAM WATERWORKS AUTHORITY

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Good Water Always

August 25, 2010

JGPO

c/o NAVFAC Pacific

258 Makalapa Dr., Suite 100

Pearl Harbor, HI 96860-3134

RE: GWA Review Comments on:

“Final Environmental Impact Statement GUAM AND CNMI MILITARY RELOCATION Relocating Marines from Okinawa, Visiting Aircraft Carrier Berthing, and Army Air and Missile Defense Task Force”

Guam Waterworks Authority (GWA) appreciates the opportunity to review the Final Environmental Impact Statement (FEIS). Because GWA is a water and wastewater utility, GWA’s review focused on identifying environmental issues related to GWA’s commitment in providing superior water and wastewater services to the residents of Guam and on GWA’s regulatory role in meeting other commitments.

GWA acknowledges the challenges associated with the 2014 Department of Defense (DoD) target date for the Marine relocation, but the challenges GWA will face because of the military build-up must also be addressed by DoD. One overarching issue is fairness; where fairness means Guam residents do not bear more than its share of the environmental, social and economical impacts. For this reason GWA strongly agrees with DoD’s stated objective of “One Guam.” Guam already has a disparity between the military and civilian communities with respect to standards of living and access to services compared to other U.S. communities. Given these disparities, GWA is concerned with environmental justice and GWA’s existing customers must not bear the negative impacts of this massive military build-up.

DoD thus far appears to be keeping the “One Guam” goal in mind when addressing wastewater issues. However, DoD does not appear to be in alignment with the “One-Guam” concept by incompletely addressing impacts to water infrastructure outside of the military base gates and puts the burden of construction and ancillary water growth fully onto GWA. DoD must be committed to integrating water infrastructure into one single robust and redundant system to provide reliability for all of Guam’s residents; both military and civilian.

One Guam:

The “One Guam” solution is not complete without the true integration of wastewater and water services. The MOU between GWA and DoD dated July 26, 2010 sets the direction for “One Guam” through the integration of water and wastewater system. The MOU states:

FUTURE OBJECTIVES

The parties agree to evaluate opportunities to integrate military and civilian water and wastewater systems on Guam. Such integrating may involve the future transfer of production, distribution, collection, and treatment systems from the Navy to GWA. The Parties understand that such transfer would require agreement on terms and conditions acceptable to both GWA and DoD, subject to GWA meeting minimum reliability and quality standards, and possible legislative authorization.

Recommendation A. GWA strongly recommends the Record of Decision include integration of wastewater and water services in the “One Guam” concept.

Funding:

Because the FEIS does not make funding commitments to wastewater and water system improvements, GWA’s DEIS comments still apply since they do not appear to be incorporated into the FEIS. The problem is that the FEIS discusses finance options, but it is not entirely clear that DoD is taking full responsibility for funding the \$160 Million (M) to \$165M for water infrastructure and \$410M to \$435M for wastewater infrastructure.

Recommendation B. GWA strongly recommends that the Record of Decision include that DoD will reimburse GWA for any financing specified in the FEIS not specifically committed by DoD. SPE’s are a requirement of DoD not of GWA.

Environmental Justice:

Although environmental justice with respect to wastewater and water services is stated in DoD’s response to GWA’s DEIS comments, it must be restated to include the overarching issue of fairness. GWA is greatly concerned that GWA’s existing customers will bear the excess cost impacts of this massive military build-up. One clear example is the increased costs in water production due to DoD’s build-up. To further evaluate the environmental justice issue, financial management models must be developed for the costs of developing the aquifer as a function of the percent of safe yield and the increased cost of water to Guam residents after groundwater and other sources of water such as surface water are maximized. Additionally, if funding is not provided, GWA ratepayers cannot fund the needs of the buildup and therefore the preferred alternatives for water and WW to allow the buildup to commence could not occur.

Recommendation C: If recommendations A & B are not addressed, GWA strongly recommends the Record of Decision include that GWA’s issues with Environmental Justice have not been addressed.

Cumulative Impacts:

The cumulative impacts of the projects were described as \$160M to \$165M for water infrastructure and \$410M to \$435M for wastewater infrastructure.

Recommendation D: If recommendations A & B are not addressed, GWA strongly recommends the Record of Decision include that GWA's issues with Cumulative Impacts as stated in the comments on the DEIS have not been addressed.

Overarching Issues:

GWA applauds DoD's determination in the FEIS that population growth due to the military build-up will affect the water supply and wastewater treatment capacity island-wide. GWA agrees with DoD's assertion that about 2/3 of the growth will occur in northern Guam and 1/3 in central Guam. GWA applauds DoD efforts to include the Hagåtña Treatment Plant and the Northern and Central Collection systems in the FEIS. An additional overarching issue is GWA's questionable capacity to handle DoD's accelerated pace for the build-up while GWA strives to transform itself to a superior utility. GWA is particularly concerned with obtaining managerial, technical, and planning capacities to handle the build-up at the accelerated pace DoD plans.

Recommendation E: GWA strongly recommends the Record of Decision include DoD funding of a Program Management Office (PMO) reporting directly to GWA. This PMO would assist GWA with the management capacity, technical capacity, and planning capacity required for the build-up's success with respect to Water and Wastewater Infrastructure within the desired DoD time frame.

Source Water:

GWA identified significant concerns related to Guam's federally designated sole source aquifer (SSA), as well as cause or contributions to violations of water quality standards. The FEIS does not fully address how to resolve the level of uncertainty regarding the aquifer's sustainable yield in a timely manner. The FEIS also still does not define sustainable yield in terms of the future cost to manage the aquifer as it approaches maximum practical safe yield. For verifiable evaluation, the use of a three-dimensional model of the subsurface aquifer is essential to determine the effect on the aquifer of the additional water demands by DoD and GWA for the construction surge, military population growth, and on into the future.

Re: GWA DEIS Recommendations 02 - 06: Sustainable yield confirmation studies need to occur more rapidly than the planned USGS study can deliver. However as noted in the FEIS, the formation of a working council to share available information, is the best available alternative. Details of impacts from all aspects of this project are more clearly identified and the concept of working together to continue to sort out needs and solutions is the desired way forward. The execution of the DoD/GWA Memorandum of Understanding (MoU) memorializes this approach.

The concern that areas within the Mangilao sub-basin that are proposed for *eminent domain*

acquisition for military use contain GWA water production resources (wells) provision for protection of these GWA resources is also addressed much better in the FEIS. Again, joint efforts remain the optimum approach.

Drinking Water:

That the buildup may result in a shortfall of available developed water supply projected for 2013-2015 (construction phase of the buildup) now has adequate solutions on record in the FEIS in the “making available” of water developed by DoD for support. Working together to site production wells for both GWA and DoD while incorporating the concept of ultimately integrating the utility services will optimize the solutions to this complicated project.

The issue of reasonable cost of DoD water supplied to the GWA system remains to be adequately resolved.

Water Infrastructure:

In the GWA/DoD MoU, the means to work out solutions for the significant concerns related to Guam's already stressed drinking water distribution infrastructure are outlined. The need to approach all water systems as ultimately being a single entity is recognized in both the FEIS and more clearly in the GWA/DoD MoU.

The FEIS now includes suitable consideration for approaching aquifer protection.

The continued consideration of developing surface water in southern Guam remains an issue that can only be considered in terms of a single unified utility under the “One Guam” concept.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'John M. Benavente', with a stylized flourish at the end.

John M. Benavente, P. E.
General Manager