



At a Glance

Catalyst for Improving the Environment

Why We Did This Review

The U.S. Environmental Protection Agency (EPA), Office of Inspector General, conducts site visits of American Recovery and Reinvestment Act of 2009 (Recovery Act) funded clean water and drinking water projects. We selected the project in Aibonito, Puerto Rico, for review.

Background

The Puerto Rico Aqueduct and Sewer Authority (PRASA) received \$19.5 million in funding under the Drinking Water State Revolving Fund Program from the Puerto Rico Infrastructure Financing Authority, acting on behalf of the Commonwealth of Puerto Rico. The funding agreement included a \$2,606,900 loan of Recovery Act funds.

For further information, contact our Office of Congressional, Public Affairs and Management at (202) 566-2391.

The full report is at:
www.epa.gov/oig/reports/2011/20110523-11-R-0232.pdf

American Recovery and Reinvestment Act Site Visit of the La Plata Water Treatment Plant Phase II Project, Aibonito, Puerto Rico

What We Found

We conducted an unannounced site visit of the La Plata Water Treatment Plant Phase II Project in Aibonito, Puerto Rico, in August 2010. We toured the project site; interviewed personnel from PRASA, its subcontracted field inspector, the Puerto Rico Department of Health, and the contractor's managers and employees; and reviewed documentation related to Recovery Act requirements.

During our review, we were unable to determine the total hours worked for employees due to variances in labor hours reported on certified payroll reports and employee pay stubs. As a result, we could not determine compliance with the wage rate requirements or reporting requirements under the Recovery Act.

What We Recommend

We recommend that the Regional Administrator, Region 2, require that PRASA reconcile the payroll hours reported, verify that previously reported Section 1512 information reflects actual hours worked, and verify that future hours reported are supported by payroll reports and pay stubs. We also recommend that the Regional Administrator review PRASA's reconciliation and verification responses and ensure compliance with Sections 1512 and 1606 of the Recovery Act. Region 2, PRASA, and the Puerto Rico Department of Health agreed with all findings and recommendations.