

OFFICE OF INSPECTOR GENERAL U.S. ENVIRONMENTAL PROTECTION AGENCY

July 10, 2025

MEMORANDUM

SUBJECT: Notification:

Inspection of a Water Infrastructure Project Funded by the Infrastructure Investment and Jobs Act to Verify Compliance with Federal Domestic Preference Requirements

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Project No. OSRE-FY25-0077

FROM: Paul H. Bergstrand, Assistant Inspector General

Office of Special Review and Evaluation

TO: Peggy S. Browne, Acting Assistant Administrator

Office of Water

Josh F.W. Cook, Regional Administrator

EPA Region 9

The U.S. Environmental Protection Agency Office of Inspector General plans to conduct a site inspection of a water infrastructure project site receiving Infrastructure Investment and Jobs Act, or IIJA, funding. This inspection is self-initiated and aligned with the OIG's <u>Infrastructure Investment and Jobs Act Oversight Plan</u>.

Our objective is to determine the extent to which an IIJA-funded water infrastructure project complies with federal domestic preference requirements. We plan to conduct work within the Office of Water and Region 9. We will conduct the inspection using *Quality Standards for Inspection and Evaluation*, issued by the Council of the Inspectors General on Integrity and Efficiency. The anticipated benefits of this inspection are increased accountability over IIJA funds and verification that IIJA funds are being spent as intended.

We will contact your office to arrange a mutually agreeable time to discuss our objective. At that time, we can discuss any concerns that you may have and answer any questions about the inspection process, reporting procedures, methods used to gather and analyze data, and what we should expect of each other during the inspection. Throughout the inspection, we will provide updates on a regular basis.

We respectfully note that the Inspector General Act of 1978, as amended, authorizes the OIG to have timely access to personnel and all materials necessary to complete our objectives. Similarly, EPA Manual 6500, Functions and Activities of the Office of Inspector General (1994), requires that each EPA employee cooperate with and fully disclose information to the OIG. Additionally, Administrator Lee

Zeldin, in a February 7, 2025 email to EPA employees, said that "the OIG requires information and assistance from EPA managers and staff on a regular basis" and outlined his expectation that EPA employees "report waste, fraud, and abuse to the OIG." He explained that this "responsibility to report appropriate activity to the OIG is one of the most important and successful means the OIG has for identifying and stopping wrongdoing" and that review and oversight enable the Agency to be more effective in achieving its mission. If an Agency employee or contractor refuses to provide requested materials to the OIG or otherwise fails to cooperate with the OIG, we will request that you immediately resolve the situation. Consistent with the Inspector General Act, we may report unresolved access matters to the administrator and to Congress.

We will post this memorandum on our public website at www.epaoig.gov. Anyone with knowledge of potential fraud, waste, abuse, misconduct, or mismanagement related to this inspection should contact the OIG Hotline at (888) 546-8740 or via an electronic form on the "OIG Hotline" webpage.

cc: David Fotouhi, Deputy Administrator

Travis Voyles, Assistant Deputy Administrator

Eric Amidon, Chief of Staff, Office of the Administrator

Wesley J. Carpenter, Deputy Chief of Staff for Management, Office of the Administrator

Benita Best-Wong, Deputy Assistant Administrator for Water

David Risley, Chief of Staff, Office of Water

Cheree Peterson, Deputy Regional Administrator for Region 9

Macara Lousberg, Director, Office of Program Analysis, Regulatory, and Management Support, Office of Water

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