



Commonwealth of the Northern Mariana Islands
OFFICE OF THE GOVERNOR
Division of Environmental Quality



P.O. Box 501304 C.K., Saipan, MP 96950-1304
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SEP 28 2007

Environmental Management Support, Inc.
Attn: Mr. Don West
8601 Georgia Avenue, Suite 500
Silver Spring, MD 20910

Re: FY 2008 Brownfield Assessment Grant – Community-Wide Assessment for
Hazardous Substances, Saipan CNMI USA

Dear Mr. West:

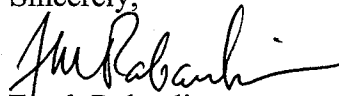
The Commonwealth of the Northern Marianas Islands (CNMI) Division of Environmental Quality (DEQ) has expressed the interest and therefore is applying for Federal grant funds to conduct community-wide Brownfields assessment of hazardous substance sites in the CNMI.

The presence of these hazardous substance contaminated sites in the CNMI must be addressed before the property may be proposed for economic redevelopment purposes or for greenspace. DEQ, along with EPA Region 9, are fully aware of the hazardous substance contamination issues in the CNMI and have identified the Brownfield assessment grant option as the best option to characterize the extent of the contamination problems in a timely manner.

Accordingly, DEQ submits this Brownfields Assessment Grant proposal for community-wide assessment of hazardous substance sites and is hopeful for a successful outcome.

The contact person for this Brownfield proposal is my staff, Mr. Ray S. Masga. His contact number is (670) 664-8500/06 and email: RayMasga@deq.gov.mp.

Sincerely,


Frank Rabauliman
Director

Cc: Carolyn Douglas, EPA Region 9 Brownfield Contact

APPLICANT INFORMATION

1. APPLICANT IDENTIFICATION

DIVISION OF ENVIRONMENTAL QUALITY
COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS
P.O. BOX 501304 C.K.
SAIPAN, MP 96950

2. FUNDING REQUESTED:

- a. ASSESSMENT
- b. \$200,000
- c. HAZARDOUS SUBSTANCES
- d. COMMUNITY WIDE

3. LOCATION:

COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS

GOVERNOR: BENIGNO R. FITIAL
CALLER BOX 10007
CAPITAL HILL
SAIPAN, MP 96950
670-664-2200
FAX 670-664-2211

4. CONTACTS;

PROJECT DIRECTOR: RAY MASGA

670-664-8500

FAX 670-664-8540

raymasga@deq.gov.mp

DIVISION OF ENVIRONMENTAL QUALITY
COMMONWEALTH OF THE NORTHERN MARIANA
ISLANDS

P.O. BOX 501304 C.K.

SAIPAN, MP 96950

HEAD OF ORGANIZATION: FRANK RABAUIMAN

670-664-8500

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DIVISION OF ENVIRONMENTAL QUALITY
COMMONWEALTH OF THE NORTHERN MARIANA
ISLANDS

P.O. BOX 501304 C.K.

SAIPAN, MP 96950

5. DATE SUBMITTED: SUBMITTED OCTOBER 11, 2007 VIA USPS

6. PROJECT PERIOD: OCTOBER 1, 2008 TO SEPTEMBER 30, 2010
(2 YEARS)

7. POPULATION:

a. 69,221 (2000 CENSUS DATA)

b. 69,221

8. OTHER: NONE

9. COOPERATIVE PARTNERS: NONE

Threshold Criteria

A. Applicants Eligibility:

The Division of Environmental Quality ("DEQ") is the "State Environmental Authority" for the Commonwealth of the Northern Mariana Islands ("CNMI") central government pursuant CNMI Public Law 11-108. CERCLA 101 (20) specially names the CNMI in the list of territories considered States for the purposes of this Act.

B. Letter from Government Environmental Authority:

The DEQ is the "state environmental authority" for the CNMI central government. Therefore, a letter is not required.

C. Site Eligibility and Property Ownership Eligibility:

DEQ is submitting this proposal as a community wide assessment proposal so the site specific criteria do not apply.

RANKING CRITERIA

- A. Assessment Grant Proposal Budget: (10pts)** DEQ will use this grant for the primary purpose of conducting All Appropriate Inquiry at brownfields sites in the CNMI. In addition, some funding will be used to support programmatic activities necessary to make this grant successful. These include Program Implementation, Community Outreach, and Cleanup/Redevelopment Planning. As illustrated in the table below, the majority of the grant will be used for the Phase I and II Assessment. Based our contractual experience for Phase I Assessments, the contract cost to perform a Phase I Assessment in the CNMI is around \$5,000. The contractual cost for Phase II Assessment, at the minimum, may range from \$10,000 to \$20,000 per assessment. A comprehensive Phase II may cost at the average \$50,000. The high cost for a Phase II assessment is due to the limited resources available on island, e.g. access to drilling equipment, and shipping and analysis of environmental samples.

Budget Category	Project Tasks				Total
	Task 1	Task 2	Task 3	Task 4	
	Program Implementation	Community Outreach	Phase I/II Assessments	Cleanup and Redevelopment Planning	
Personnel					
Travel	\$ 8,000	\$ 4,000	\$ 4,000	\$ 4,000	\$20,000
Supplies	\$ 1,000	\$ 3,000		\$ 2,000	\$6,000
Equipment					
Contractual		\$ 8,000	\$120,000	\$46,000	\$174,000
Other					
TOTAL	\$ 9,000	\$15,000	\$124,000	\$52,000	\$200,000

Task 1: Program Implementation – DEQ will provide staff to manage this project and conduct programmatic activities on an in-kind basis. Expenses in this budget category include travel expenses for training and conferences (e.g., Brownsfields 2008 and other EPA sponsored conferences) related to the project. Keep in mind, travel expenses are higher than other regions due to the geographical location and distance from US Mainland.

Task 2: Community Outreach – A portion of the funds will be used to educate and inform the community and to gain involvement and input in the project. DEQ will be using this funding to inform the community of the progress of the assessments and their impact on the redevelopment plans of these sites. DEQ plans on using its internet website to provide updates on the project and posting of all reports pertaining to the project.

Because our community is very ethnically diverse, we will use this funding to reach these community members in their respective languages. The US Census for the CNMI identified 89.2% of the population speaks another language other than English with 46.9% speaking a language more frequently than English (2000 US Census). The CNMI has three (3) official languages; English, Chamorro, and Carolinian. DEQ will make sure our community outreach includes informative brochures and materials translated into these languages. Also, DEQ plans to document the project along its various stages, both written and video, in the different languages of our community. These documents will be available to the community, and provided to EPA Region 9 as a model to use on other Pacific Islands. DEQ expects that this project will serve as a model for the surrounding islands in the region.

Task 3: Phase I/II Assessments – This Phase I Environmental Site Assessments (ESA) will be performed according to the ASTM Practice E 1527-05 for Phase I ESAs and will include historical research and interviews beyond the requirements of the standard. The Phase I ESA process will also be conducted to meet the new “All Appropriate Inquiry” standard. The Phase II Assessments task will include preparation of a site-specific sampling and analyses plan including quality assurance project plans, health and safety plans, and actual Phase II intrusive investigation activity, management and disposal of investigation-derived waste and reporting (such as completing property profile forms). The sites for the Phase I ESA will be selected from the Brownfields inventory list for the three islands created under its Brownfields Section 128a program. The initial plan is to conduct the following number of Phase I ESA in the three islands: 10 Saipan, 5 Tinian, 5 Rota. In addition, the plan would include conducting 4, 2, and 2 Phase II ESA respectively in the three islands. The sites for Phase II assessment will be selected based on the Phase I results. The travel costs in this budget category will cover the expenses of the DEQ’s travel expenses to oversee the contractor’s field work. Note that several sites will be on other Islands requiring airfare and other related travel.

Task 4: Cleanup and Redevelopment Planning - This task includes working with the prospective property owners and/or business operators to discuss the appropriate cleanup actions for the site. If necessary, this task includes developing cleanup plans and cost estimates, including cleanup alternatives, and developing reuse plans for the site such that the cleanup standards are appropriate for the intended future use. Additional sampling and analysis may be conducted as a part of the cleanup and redevelopment planning process. As part of the sustainable reuse of brownfields sites, DEQ will use design charrettes at selected sites to

consider a range of reuse options that also considers sustainability. This approach would be most feasible especially when addressing those closed and soon to close down garment factories, since some of the facilities are located on public lands while majority are situated on privately own properties. For those garment factories situated on public lands, the cleanup and redevelopment planning will be linked with the Department of Public Lands' 5-Year Capital Improvement Project (CIP) Master Plan.

The CNMI Commonwealth Development Authority ("CDA") who provides loans for business developments in the CNMI is applying for an RLF grant this year in coalition with two other government agencies. If CDA is successful, the DEQ will consult with CDA, who will be administering the RLF program for brownfields cleanup to assist eligible property owner(s) and/or business operator(s) to apply for a cleanup grant or loan. A requirement for applying for an RLF loan or subgrant with CDA will be for the applicant to enroll in the DEQ VCP program which is currently under development phase with the assistance of USEPA Region 9. The travel costs in this budget category will cover the expenses for DEQ travel expenses to oversee the contractor's field work. Note that several sites will be on other Islands requiring airfare and other related travel.

B. Community Need: (15pts)

1. The CNMI is a self-governing Commonwealth of the United States. The CNMI includes Saipan, Tinian, Rota, and several other islands. The CNMI's main and largest island is Saipan, located about 100 miles northeast of Guam, about 1,200 miles southeast of Tokyo, and 3,300 miles west of Honolulu. The smallest of the U.S. insular areas, the CNMI consists of 14 islands with a total land area of 183.5 square miles. The target community for this grant will be the entire population of the CNMI, which will benefit tremendously with this project.

Since becoming a Commonwealth of the United States in 1976, CNMI experienced a population boom in the 1980's and early 1990's due to its own control of labor and immigration. The tourism industry grew and a garment industry was started. With the new garment industry, the demand for guest labor increased drastically as the local workforce was insufficient to meet the new industry's demands. The 1980 population was 16,780 persons. In 1990, the CNMI Census reported the population grew to 43,345 persons. The 1995 mid-decade census results showed a total population of 59,913 persons. With this, non-United States citizens made up 54 percent of the population, with local residents who are United States citizens comprising the remaining 46 percent. The 2000 Census reported the population at 69,221, with non-United States citizens make up of 56.5 percent of the population and local residents comprising the remaining 43.5 percent.

A large percentage of low income residents exist on the island of Saipan. According to the 2000 Census, the per capita income is \$9,151 and approximately 7 percent of the households receive public assistance or other supplemental assistance. The median household income was substantially below the median household income relative to Guam and the United States. The median household income was merely \$22,898, whereas in Guam it was \$39,317, in Hawaii it was \$51,546 and in the United States \$41,994. In comparison, the

median household income in the CNMI ranges between 42 percent less than the Guam's rate and over 90 percent of the average U.S. rate. The housing is approximately 68 percent rental and over 31% of the housing was constructed in the 1980's.

Additionally, the poverty statistics of the CNMI relative to Guam and the rest of the insular areas are high (2000 Census). For example, 46 percent of individuals residing in the CNMI were living below the poverty line. In comparison, 20 percent of Guam residents, 10.7 percent in Hawaii, and 9.2 percent of U.S residents are living below the poverty line.

Shown below is some statistics from the 2000 census data for CNMI, Guam, Hawaii and the United States. The data emphasizes the economic distress of the CNMI in comparison to the rest of the United States.

2000 Census Data	CNMI	GUAM	HAWAII	United States
Population	69,221	154,805	1,211,537	281,421,906
Median Household Income	\$22,898	\$39,317	\$51,546	\$41,994
Per capita income	\$9,151	\$12,722	\$21,525	\$21,587
Individuals below poverty line	46.0%	20.0%	10.7%	9.2 %
Unemployment rate*	15.9%	34.4%	3.9%	3.7%

Sources: Information above and figures used were obtained from the 2000 U.S. Census.

* Unemployment rate lower than Guam due to the influx of guest workers (non-residents).

2. The mission of the DEQ, as the "State Environmental Authority" for the CNMI is to ensure the protection of the land, air, and waters of the CNMI and its people from the release of hazardous substances into the environment. The DEQ implements regulations and environmental programs similar to EPA programs in order to achieve this mission. As a State consisting of islands, land is limited and precious. This grant will provide resource to reuse land that was previously developed and preserve the existing greenspace benefiting the entire population of the CNMI. Funding from this grant will allow DEQ to address potentially contaminated properties the opportunity to undergo Phase I and/or Phase II assessment to evaluate the environmental condition of the property. Information gathered during these assessments will be instrumental in determining the reuse potential of the property. The end result will be properties viable for reuse and new job opportunities for the CNMI community. For example, a property that is available for commercial development was left idle by the investor because of fear of contamination on the property. DEQ evaluated the site and through use of contractor support, developed a scope of work for a Phase II investigation that would cost approximately \$10,000. The investor is now more interested in pursuing the property and has invested over \$50,000 into improvements on the site.

The grant will provide DEQ with the resources and experience to conduct environmental assessments on properties that have been abandoned or have been idled from reuse or redevelopment because of adverse condition due to potential contamination from hazardous substances on both public and privately owned sites. Examples of the operations conducted in these sites include garment factories, dry cleaners, auto shops, and heavy equipment shops. In addition, there are public and privately owned properties that are impeded from redevelopment because of contamination resulting from historic military use and battlefield

operations on the properties. Some of these properties are now identified as Department of Defense Formerly Used Defense Sites ("FUDS"). The FUDS program, administered by the U.S. Army Corps of Engineers, operates with limited funding to address the assessments and cleanups of FUDS properties in the CNMI. Therefore, it may take many years before a property can be put to any redevelopment use. For example, an investor wanted to lease a private property to open a recycling business, but when the investor found that the property contaminated with unexploded ordnances (UXO), the investor declined to lease the property. The DEQ has generated an inventory list of these properties for the islands of Saipan, Rota and Tinian under its Brownfields Section 128a program. With this grant, the DEQ will be able to conduct the necessary assessment of these sites and will provide many benefits to the target community, including some of the following:

- a. Environmental conditions at properties will be addressed earlier protecting groundwater, a highly valuable and limited resource on the Islands.
- b. Environmental conditions at properties will be addressed earlier facilitating cleanup and redevelopment of the property, resulting in economic benefits including new jobs and increased tax base.
- c. As more sites are assessed and eventually cleaned up as determined necessary, new investors will be more willing to reuse former industrial and commercial sites, reusing infrastructure, saving resources and both creating and preserving greenspace.

An example site where this brownfields grant will demonstrate the need and the benefit for the CNMI community is a former auto repair shop.

3. Under the Brownfields Section 128(a) grant, DEQ developed and is continuously updating an inventory of brownfields sites in the CNMI. This grant will provide the necessary resources to begin the process of assessing these properties for potential contamination. Initially, over fifty sites are included in the list of sites with potential hazardous substance contamination. As the inventory is updated additional sites will be identified. Because of fiscal constraints, DEQ has not been able to complete these assessments at these sites necessary to redevelop these lands resulting in these sites remaining idled or abandoned. The Brownfields funding will allow us to address these areas and regain access to sites currently idled due to the potential contamination.

In addition to the sites on this initial Brownfields inventory, other public land sites under long term leases are returning to the CNMI Department of Public Lands ("DPL") and are potentially contaminated with hazardous substances. Prior to re-issuing leases to new investors, DEQ will work with DPL to assess these sites and other vacant public lands for any contaminants.

C. Site Selection Process: (6pts)

1. DEQ will use the criteria below to prioritize sites for assessment. The data to prioritize these sites were collected as a part of the Brownfields Inventory task conducted under DEQ's section 128a program.

- a) Potential for redevelopment. Sites that have a high redevelopment potential, such as sites with active interest from investors, will be prioritized as high;
- b) Potential for greenspace development. Sites with a high potential to become greenspace, such as a vacant property near a school or surrounded by housing (potentially a pocket park), will be prioritized as high;
- c) Potential for human health exposure. Sites that are within 500 feet to residences, parks, schools or daycare centers will be prioritized as high.
- d) Potential for environmental exposure. Sites within 500 feet of the coastline, wetlands or other water body will be prioritized as high. Sites on Saipan in Class I Groundwater Management zones. Sites in Primary Groundwater Recharge Zones on other Islands.

DEQ will determine site eligibility in consultation with the EPA Region 9 and for final approval. DEQ will provide EPA Region 9 with a written determination of eligibility including a determination that the site meets the definition of a Brownfields and that DEQ is eligible to conduct the work (and is not a potentially responsible party).

2. Under its Brownfields Section 128a Program, DEQ contracted two projects to conduct survey and inventory of potential brownfields sites on Saipan. The first contract was performed by Duenas and Associates Company based in Guam generated an inventory of potential brownfields sites for petroleum and hazardous substances. There were 27 sites identified which consist of both private and public lands. The second contract was performed by the AMPRO Company involved conducting a survey and generating an inventory list of sites contaminated with unexploded ordnance ("UXO"). There were 18 sites identified in the project, which included one site in the Marpi area, owned by DPL, which was awarded a brownfields targeted assessment grant to assess the UXO contamination at the site. The Marpi UXO site has been proposed by DPL for homestead development. The site survey and inventory efforts to identify potential brownfield sites will be expanded to Rota and Tinian in FY 2007 under the DEQ section 128a program. In addition, the DEQ Site Assessment and Remediation Program webpage (www.deqsar.org) provides an interactive page which allows the public to make a request for assessment of contaminated sites they know about and want to eventually see it cleaned.

For this grant proposal, DEQ will prioritize sites contaminated with hazardous substances that are on public and private lands using the site selection criteria indicated in criteria C.1. above.

3. DEQ will need to obtain access agreement from the private property owners in order to conduct any assessments under this grant proposal. DEQ is experienced in obtaining access and in executing access agreements from previous Brownfields and Superfund activities. Therefore, it is anticipated that access negotiation with the property owner may be required and that legal involvement may be necessary as well. DEQ is staffed with one assistant attorney general to provide the legal capacity during the access negotiation as needed. If necessary, the DEQ may use its authority under the CNMI Harmful Substances Regulations to gain access when a property owner is uncooperative.

D. Sustainable Reuse of Brownsfields. (12pts)

1. DEQ routinely sponsors on pollution prevention and resource consumption. DEQ staff includes a pollution prevention specialist tasked to develop such workshops to educate the citizens of the CNMI, including developers and construction workers, on energy conservation and resource reduction such as native landscaping, stormwater collection and reuse, green building, and energy conservation. Workshop co-sponsors, including Department of Public Works, have resources to encourage use of energy efficient materials, equipment and resource reduction. The Department of Natural Land Resources ("DNLR") provides FREE native plants for re-planting that will aid in reducing energy consumption and retain storm water runoff. Pollution prevention and reduction in resource consumption will be part of DEQ's community outreach, cleanup planning, and redevelopment coordination aspects of this grant.

Many of the existing commercial and industrial properties have existing infrastructure. To the extent feasible, such infrastructure will be reused in the new development. The primary infrastructure that can be reused is roadways, buildings, and utility services. Upgrades to some infrastructure may be necessary, such as sidewalks and potentially utilities. Sidewalks will aid in the ability for workers to walk to work. Any utility upgrades would provide environmental improvements such as repairing old leaking water mains or connecting the industry to the sewer system and disconnecting an inadequate septic system. A good example of existing commercial and industrial properties with existing infrastructure which could be reused are the closed down and those soon to close down garment factories.

DEQ is committed to encouraging the use of green building and energy efficient methods when designing and building new structures. As stated earlier, DEQ will work with appropriate agencies to promote reduce resource consumption and continue our community outreach program to inform the potential developers of these programs. DEQ is planning a green building design competition event to promote the design and construction of energy efficient green buildings in the CNMI. The competition will solicit participation from design engineers to submit their best green building design suitable for the local environment. The event will involve both the government and the private sector organizations to support the event by maybe sponsoring the competition and making donations for prizes etc. The goal of the event is to bring awareness to the general public of the need to explore energy efficient methods when designing and building new structures.

2. On the islands, land is very limited. Public lands, previously used for commercial and industrial purposes and that are clear from environmental liability, can be attractive to investors for redevelopment. These existing sites have existing buildings, infrastructure and equipment that would be cost prohibitive on greenspace sites. New businesses on these sites would create jobs and increase the tax base. The Governor is contacting businesses in China, Korea, Philippines, Japan and Hawaii to attract new investors, including a major shoe manufacturer, to the CNMI. This grant can assist in making properties ready for reuse for such investors.
3. The redevelopment planning part of this proposal will seek public input to make these redeveloped properties vibrant assets in the community. Community input will assist in the

developing reuse plans, identifying properties with potential opportunities for new community centers, parks, and other community resources. The redevelopment plan will be consistent with the DPL Land Use Plan and the 5 year CIP Master plan.

The results of this assessment and community outreach activities conducted with this grant will enable DEQ to prevent future Brownsfields from developing by learning from this brownsfield grant opportunity. DEQ will learn how to deal property that is idle or under used through the conduct of community outreach, all appropriate inquiry, cleanup and redevelopment planning.

E. Creation and/or Preservation Greenspace/Open Space or Nonprofit Purpose (5pts)

Land on the islands is very limited. Reuse of former industrial and commercial sites will aid in preserving the existing green space on the islands. Some smaller sites, such as ones located in neighborhoods, may be suitable for a neighborhood or pocket park. The redevelopment planning part of this grant will seek public input on the number and size of other parks to be included in the reuse plans.

The long term land use plan for the CNMI designated certain areas of land for development and preserves other areas as refuge areas and bird sanctuary. Completion of this project will further the goals of that plan.

DEQ is committed to helping and preserving our greenspace areas surrounding these sites. Once the parks and greenspace has been developed, particularly in public lands, DPL will designate these properties to DNLR which, according to CNMI Public Law 14-24 (1 CMC, §§ 2701 and 2702), is responsible for all CNMI's public parks. Under the land designation agreement, DPL maintains ownership of the property, and DLNR is given the responsibility and authority to use the designated properties for the purpose intended, i.e. for parks or wildlife conservation. DNLR – Division of Parks and Recreation will be responsible for the long-term management and care of this greenspace and park areas. The annual funding appropriation from the CNMI's General Fund includes funding for the long-term management, care, and preservation of this greenspace and park areas.

F. Pre-Award Community Notification: (12pts)

1. DEQ will initiate several efforts to inform the citizens and other interested parties about the scope of this Brownsfields proposal. These public involvement efforts will engage the community, as stakeholders, in this grant proposal and eventual project implementation. Applying several community notification and involvement measures will allow various stakeholders to participate in this grant development effort based on their individual schedules and level of interest. Each of these measures will let the public know the time period and means to provide input and comment.

The pre-award community notification approaches which will be used to inform the general public of this funding proposal include the following:

- DEQ will issue press releases to local newspapers, television and radio stations asking citizens to participate in the assessment grant projects. The message will also include information about where and how they could be involved in the project and provide opportunity for public review and comment on project proposals and scope of work.
 - DEQ will post the project proposal on its main website (www.deq.gov.mp) announcing the opportunity for public review and comments on the project proposal and scope work.
 - DEQ will also announce the submittal of the project proposal in its quarterly newsletter announcing the opportunity for public review and comments on the project proposal and scope work. Comments and response to comments will be documented and made available on the DEQ website and at the DEQ office.
 - DEQ will provide copies of this proposal and associated proposal guidelines to the Department of Public Works ("DPW"), the Department of Public Safety ("DPS"), Commonwealth Development Authority ("CDA"), Northern Marianas Housing Corporation ("NMHC"), Saipan Chamber of Commerce, Mayor of Saipan Office, and other stakeholder organizations.
 - December 5, 2006 EPA Region 9 representatives will be on Saipan to hold an award ceremony to present to the Department of Public Lands their "Big Brownfields Check" for \$550,000 for their FY2006 competitive brownfields grant. The CNMI Lt. Governor attended the ceremony. At the ceremony, which is open to the public, DEQ announced its intent to submit a brownfields grant proposal for hazardous substance assessment and to encourage the public participation in the process.
2. There are two major newspaper companies (Saipan Tribune and Marianas Variety) in the CNMI which majority of the target community reads to be informed of things happening in the CNMI. Issuing a press release in these papers to notify the target community about the DEQ brownfields assessment grant proposal is effective and appropriate specially that the newspapers are available for sale at any retail stores on Saipan, Rota, and Tinian. DEQ press releases are routinely used by these newspapers as news stories. Also, the newspaper companies have their own website (<http://www.saipantribune.com> and <http://www.mvariety.com>) where they also make available information to the general public. There are two popular radio stations (Power 99 and 101.1) which most people listen to. The 101.1 radio station plays the local songs which most of the older target community members listen to while the Power 99 station plays more modern songs favored most by younger community members. There is only one local live televised news program, MCV News that broadcast televised news to the general public at three different time schedule (6:00pm, 8:00pm and 12:30pm the next day). Most people would watch the KMCV News report on T.V., especially the 6:00pm news right after work. In addition, there is the Live John Gonzales talk show which follows the 6:00pm news every Wednesday night. DEQ will be a guest on the talk show to talk about the Brownfields grant programs and its proposal as well as previous successes. The live show allows for interactive discussion where the public can call in and ask question in either English or in the vernacular about the discussion topic. The venue is an ideal tool for Brownfields

outreach. Posting our proposal and request for comments on our website is an appropriate method because any of the target community looking for local environmental information would most likely access the DEQ website and thus increases their chance to come across our proposal and the request for public review and comments. Placing a article in our DEQ newsletter about our brownfields grant proposal and request for review and comments is appropriate especially for the members of the target community who frequent our office for various reasons can easily pickup a newsletter and read our brownfields article.

3. All outreach information, both oral and written, will be made available in the three official languages of the CNMI (Chamorro, Carolinian, and English).
4. DEQ will give the target community 30 days to review and provide comments on its project proposal. DEQ will use the methods described in paragraph F.1 above to encourage the community to get involved and comment. In addition, DEQ will develop a fact sheet about the project proposal and why DEQ decided to apply by submitting its proposal. The fact sheet will indicated the social, economic and environmental benefits and advantages of brownfields grant programs to the community. The fact sheet will be made available using the methods indicated in number 1 above.
5. DEQ will issue additional press release and hold a public meeting to respond to public comments. DEQ will post written responses to comments on its main website for public review.

G. Community Involvement (16pts)

1. Community involvement has been and will continue to be an important component of DEQ's mission to effectively and efficiently implement its programs and hence build support for the project. As indicated earlier in our budget proposal, a portion of the funds will be used to educate, inform and involve the community at all stages of the project. DEQ will be updating the governor's cabinet members on a monthly basis during one of its weekly meetings on the status of the project. Also, DEQ will continue to issue press releases informing the community and inviting their ideas and input on the cleanup and/or reuse plans. Along with its press releases, updates on the project will be posted on its internet website with the opportunity for public comments. Again, due to our diverse community and large population speaking other languages other than English, DEQ will ensure that this information is relayed to them in their native languages.
2. To ensure appropriate and sustainable cleanup of Brownfields, DEQ will actively continue to build partnerships with agencies and organizations to ensure utmost participation and input in the brownfields program. DEQ has established strong brownfields partnerships with several government stakeholders including the Department of Public Lands (responsible for managing public land), the Commonwealth Development Authority (responsible for economic development) and Commonwealth Port Authority (responsible for transportation facilities).

During FY2006, DEQ sponsored the ASTM Phase I and II training on Saipan. This training was attended by 10 different government agencies and the private sector. DEQ intends to bring additional training to the islands (such as the Brownfields 101 training or the Brownfields Nuts and Bolts training) which will further the level of knowledge and build partnerships with all stakeholders.

DEQ's partnership with the Commonwealth Development Authority ("CDA") is providing the community with information on investment opportunities in the CNMI and the available public and private lands for redevelopment. DEQ will also develop partnerships with the NMHC, DPW, the Governor's Housing Task Force, and DNLR on the sustainable cleanup and redevelopment of these Brownfields properties.

Again, with our community outreach program activities, DEQ will be educating the community of the environmental hazards and how to handle these nuisances. These efforts will assist to sustain the cleanup and redevelopment of the site.

- As mentioned earlier and according to the 2000 U.S. Census, 89.2% of the population speaks another language other than English with 46.9% speaking a language more frequently than English. Therefore, DEQ will ensure that this information is relayed to them in their native languages through television programs in their language and in printed brochures and materials.

DEQ believes that by using a wide array of communication mechanisms, community involvement and understanding will lead to positive inputs and result. The community has been and will continue to be informed of DEQ's intentions, progress, and need for community involvement through public press releases, posted notices at public facilities, published notices in the local newspapers, and on DEQ's website. For residents living immediately around a brownfield site, DEQ will go house to house and provide project progress information (e.g. executive summaries, brochures, etc.). DEQ will also conduct public availability sessions to present the progress of the project, request to present our progress to community based organizations, and include our progress in our DEQ quarterly newsletter that is distributed throughout the community.

- The following is a list of individuals and their community-based organizations that involved in this project.

Organization	Contact Person	Phone Number	Organization's Activities
Chamber of Commerce	Juan T. Guerrero, President Christine Park, Exec. Director	(670) 233-7150	Business & Economic Planning and Development Group
Rotary Club	Patrick Calvo, President	(670) 234-6120 (670) 287-0516	Business Interest Group - Community Humanitarian Outreach and Services
Mariana Islands Nature	Frances Castro,	(670) 664-8570	Non-profit environmental

Alliance	Chairperson		resource conservation and awareness outreach
Beautify CNMI	Angelo Villagomez	(670) 236-0894 (670) 236-0895	Community based coalition for the Environment. Focus on restoration projects, cleanups and recycling, antilitter, policy development (legislation) and community outreach

H. Reduction of Threats to Human Health and the Environment (26pts)

1. Potential contaminants of concern from the types of hazardous substances sites located on the islands may also include metals, volatile organic compounds, semi-volatile organic compounds, chlorinated solvents, poly aromatic hydrocarbons and poly chlorinated biphenyls. These contaminants have the potential to be a threat to human health as several of these contaminants are classified as carcinogens. Environmental threats to wildlife, including endangered species, and wildlife habitat are highly likely from releases of hazardous substances.

The funds will be use to reduced threats to human health and the environment within the CNMI. The primary contaminants of concerns at the sites are hazardous substances including UXO, PCBs, Chlorinated solvents, and pesticides. Our main concern is the direct threats that these contaminants may pose to human health through the potential contamination of groundwater and surface water. Many of these contaminants can cause cancer and other serious health effects e.g. lead can cause neurological disorder.

Unexploded ordnances are a major concern at all sites. UXO and compounds within the ordnance such as trinitrotoluene, tetryl and tritonal present significant safety and health hazard to humans. Sparks, fire and heat can lead to detonation which may cause severe physical injury including death.

Brownfields assessment funds will be used for Phase I and Phase II environmental site assessments on priority sites throughout the CNMI. The environmental site assessments will generate the data necessary to identify which sites pose the greatest threat to human health and the environment. These funds will also be used for cleanup and redevelopment planning activities which will look at alternatives to reducing these threats.

In addition, the environment of the CNMI is very sensitive. CNMI contains numerous wetlands and other land and marine sensitive ecosystems that are the habitat for many species of plant and animals (birds, fish, reptiles, etc), including endangered species. Exposure to these contaminants can be very detrimental to the plants and animals in the CNMI.

At this time, no specific sites have been selected for assessment. However, we have a number of potential sites that are located in existing commercial and industrial areas. The future end use of these sites is likely to remain industrial or commercial. Yet, because the groundwater is very shallow in these areas, cleanup activities will require the removal of the majority of the

contaminants. The DEQ has established environmental screening levels (ESL) for over 100 chemicals commonly found at sites with contaminated soil and groundwater, which are approved by U.S. EPA Region 9, to use as a tool determining acceptable concentrations that can remain on site. The screening levels are intended to help expedite the assessment of contaminated sites for potential human health and environmental concerns. As an alternative to preparing "site-specific" screening levels or attempting to quantifying risk in a more formal risk assessment, data collected at a site can be directly compared to the DEQ screening levels and the need for additional work evaluated. It is anticipated that these screening levels will be especially beneficial for use at small to medium size sites, where the preparation of a more formal risk assessment may not be warranted or feasible due to time and cost constraints. Our goal is to cleanup the sites to below these screening levels such that monitoring and maintenance of institutional controls will not be necessary.

An example site of the successful application of the environmental screening levels is the Kagman dumpsite contaminated with lead, located on the island of Saipan. The site is a sensitive ecological environment as it is a transient habitat for the Mariana Common Moorhen bird, a federal and CNMI listed endangered species. The DEQ was successful to compel the responsible party to excavate and remove lead contaminated soils from the site using the CNMI ESL for lead at 200 ppm as the threshold action level, more stringent than the 400 ppm EPA Region 9 Preliminary Remediation Goal for direct exposure. The more stringent CNMI ESL for lead is necessary for ecological exposure risk in the CNMI.

2. DEQ is the state agency with the mission to ensure protection of the public health and the environment during the redevelopment process. DEQ has the responsibility and authority to manage and monitor the assessment, cleanup and redevelopment process. This includes selection of potential sites, and review, approval and oversight of cleanup activities. All sites requiring cleanup will be encouraged to enroll in the DEQ's VCP program. The VCP process provides DEQ the authority to approve cleanup plans, monitor cleanup activities, and verify that clean is complete. Upon successful completion of cleanup, DEQ will issue a written letter stating that the site is available for unrestricted reuse or specify any engineer controls associated with the site.

The DEQ is working closely with EPA Region 9 staff on the development and enhancement of the State Response program such that the site will be appropriately made ready for reuse.

I. Leveraging of Additional Resources (10pts)

1. DEQ has committed and will continue to commit the time and hours (salary and benefits) spent on the project from personnel, particularly from the technical support staff (i.e. engineer, attorney, etc) as in-kind contribution for the project. Also, DEQ will contribute its equipment and resources whenever needed to see the project complete, including lab and field resources. This Brownfields Assessment funds will assist DEQ realize the completion of the project by fully assessing the potential environmental risks to the community.
2. DEQ seeks to leverage its current resources and will continue to seek future funding from the CNMI Government, Federal Government and the private sector that can assist with the

project. Currently, DEQ receives funding to establish and implement its state response program under the Brownfields Section 128a Program. As the State Response Program develops and as sites are assessed under this grant, DEQ anticipates that private and public sector funding will begin to be used on these sites. As an example, DEQ supported its sister agency, DPL with a site specific assessment grant last year. Leveraged resources on that site alone are expected to exceed 50 million dollars, nearly 150 times the amount of the grant. While such leveraging is not expected on all of these sites, DEQ is confident that leveraging will occur.

In addition, this project is viewed as a community project which will need to continue its relationship with the central government and other autonomous government agencies. With support from these partnerships, DEQ will seek over \$3 million in Capital Improvement Project funding from the CNMI government for the infrastructure needs of the project. NMHC will seek Community Development Block Grants ("CDBG") for community and recreational facilities at the site. Also, DEQ, CDA and DPL, as a coalition, are applying this year for a Brownfields Revolving Loan Fund Grant. If successful, the RLF can be a funding source to alleviate funding gaps required to conduct necessary cleanups. Lastly, in addition to seeking this Brownfields Assessment Grant, DEQ will explore the applicability of an EPA Cleanup Grant to address any defined environmental concerns at eligible sites owned by the CNMI.

As an ability to leverage resources under its state response program and to encourage the economic redevelopment potential of idled or abandoned properties in the CNMI due to site contamination, DEQ works diligently to require the responsible party for the site to conduct the necessary assessment and remedial action. Such action takes away the burden of new tenants interested to invest in the property, to use their own financial resource to perform such tasks they were not responsible for in the first place. A case in point, DEQ was successful in having the responsible party of a former auto repair shop facility to agree to perform the necessary sampling and analysis of the site. The task was estimated to cost around \$5,000, to determine the presence of lead, volatile organic compounds and PCB contamination. A new tenant has expressed interest in the property and wanted to commit \$50,000 to improve the facility and establish his own auto repair shop. At this time, sampling and analysis plan is underway. As a means of leveraging, the new establishment would create new jobs that would benefit members of the community.

The Assessment Grant and the above mentioned funding sources will be necessary for the success of the project to conduct assessment, cleanup and redevelopment of these Brownfields sites. Without these resources, the project sites will continue to plague the community and perpetuate the environmental hazards and risks that affect the community. The awarding of an EPA Brownfields Assessment Grant will allow DEQ to move forward with its project plans and provide the community with a safe and healthy environment suitable for residential, greenspace, or other economic redevelopment gain.

J. Programmatic Capability. (20pts)

1. Mr. Ray Masga will serve as the project manager for the project and the grant. Mr. Masga is program manager for the Site Assessment and Remediation Branch of the DEQ and will manage all phases of the grant. He has a wealth of experience dealing with Federal Grants and DEQ is confident that these experiences will enable DEQ to manage and oversee all phases of the work under this grant. Mr. Masga is trained in working with Federal Grants for over 9 years. He has administered Federal Grants from the US EPA under Brownfields Section 128(a) and under the Superfund program. Mr. Masga has also managed grants from the US Department of Defense under the FUDS program and the Navy's MRP program.

Under the Brownfields Section 128(a) grant, DEQ has taken significant steps towards establishing the four elements of a State Response Program and a public record. With funding from this grant, DEQ developed an inventory of Brownfields sites that will be used to select sites for assessment under this grant. In addition, DEQ developed screening levels and cleanup standards for sites that Region 9 approved. Lastly, DEQ used its brownfields expertise to assist both Guam and American Samoa in the establishment and development of their brownfields programs.

DEQ will prepare a Request for Proposal/Qualifications, under the CNMI Competitive Procurement Policies to acquire a suitable environmental consultant and expertise to conduct the technical phases of the project (e.g. ASTM Phase I and II Assessment, QAPP preparation, and cleanup planning). DEQ will oversee all contract activities.

2. As the State Environmental authority, DEQ has managed funds from EPA under a consolidated grant for more than twenty years. DEQ conducts an annual audit and has maintained a good record of compliance with managing its finances. It has not had any adverse findings from its audits detrimental to its finances. Also, there are no adverse audit findings from an OMB Circular A-133 Audit. DEQ is not presently, nor has been subject to comply with special "high risk" terms and conditions associated with agency regulations implementing OMB Circular A-102.
3. The DEQ routinely submits quarterly progress reports to EPA Region 9 for all grants and is in compliance with all reporting requirements. In addition to project/program status and accomplishments, the quarterly reports include itemized lists of funds expended during the quarter and the balance of remaining funds on all program incomes, special projects, and all other projects or programs as applicable. EPA conducted a Brownfields Program Review on December 5, 2006. The EPA project officer's (Norwood Scott's) conclusion of the review is that the DEQ's Brownfields program is "doing GREAT!"
4. DEQ will track and report quarterly to EPA, using the property profile forms, on the key accomplishments on a site specific basis. Using the partnerships developed before and during implementation of this grant, DEQ will obtain statistics on dollars leveraged and jobs created from appropriate partners, such as the Department of Public Lands which will have information on leases and investments in property. The CNMI Department of Labor will provide statistics on jobs created.