ADAM H. PUTNAM
12TH DISTRICT, FLORIDA

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Congress of the United States
House of Representatives

GOVERNMENT REFORM
CHAIRMAN
SUBCOMMITTEE ON TECHNOLOGY, INFORMATION POLICY, INTERGOVERNMENTAL RELATIONS, AND THE CENSUS

AGRICULTURE

BUDGET

HOUSE POLICY COMMITTEE

JOINT ECONOMIC COMMITTEE

January 31, 2005

Ms. Mary Frazier
Environmental Protection Agency
Office of Congressional and Intergovernmental Relations
61 Forsyth St SW
Atlanta, Georgia 30303

Dear Ms. Frazier:

Enclosed is information received from my constituent, Joseph C. Yob, Jr. I believe the enclosed information is self explanatory.

Any assistance your office can provide to Mr. Yob would be greatly appreciated. Please keep me advised by sending a reply to my district office at 650 East Davidson Street, Bartow, Florida 33830.

Thank you for your assistance.

May God bless America.

Sincerely,

Adam H. Putnam

Adam Putnam
Member of Congress

AHP/kab

Enclosure

RECEIVED
FEB 7 2005
OFFICE OF CONGRESSIONAL AND INTERGOVERNMENTAL RELATIONS

PRINTED ON RECYCLED PAPER

Creative Recycling Systems, Inc.
7501 Interbay Blvd.
Tampa, Florida 33616
(813) 621-2319 Telephone
(813) 626-1248 Fax

December 22, 2004

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED RESTRICTED DELIVERY
ARTICLE# 7003 1010 0003 9805 3473

Oliver M. Voss
Environmental Protection Agency
1200 Pennsylvania Avenue, N.W.
Washington, DC 20460

RE: Creative Recycling Systems, Inc. Size Status Protest for the United States Small Business Administration's ("SBA") Small Business Set-Aside Program for Represented Contract Award to UNICOR: Federal Prison Industries, 320 1st St, NW, Washington, DC 20534 for the United States Environmental Protection Agency's Represented Contract Award for Procurement Number PR-HQ-03-12341 dated March 19, 2004 with Amendment/Modification No. PR-HQ-03-12341/0001 with Effective Date 04/01/04 ("EPA PR-HQ-03-12341-0001")

1. **Summary of Protest:** Creative Recycling Systems, Inc. ("CRS") protests, under the provisions of 48 CFR Chapter 1, Federal Acquisition Regulation ("FAR") Sections 19.302 and 33.101, a represented award letter from David F. Fuller (representing himself to be a "Contracting Officer") which was sent via e-mail and dated 15 December 2004 from the United States Environmental Protection Agency, Office of Administration and Resources Management (No Address), Washington, DC, 20460, Subject: Award Information on Solicitation EPA HQ-03-12341 sent to Creative Recycling Systems, Inc. ,7501 Interbay Blvd., Attention: Joseph C. Yob, Jr., Tampa, Florida, 33616, a copy of which is enclosed as Enclosure 1, also referred to in this document as "Award." CRS specifically makes a Size Status Protest for SBA's Small Business Set-Aside Program for EPA PR-HQ-03-12341-0001 ("Protest"), as well as a request for a Size Status Determination ("Size Determination") by the SBA for a contract represented by Mr. Fuller as awarded to UNICOR: Federal Prison Industries, 320 1st St NW, Washington, DC, 20534 ("UNICOR") as stated in Enclosure 1. CRS specifically protests the award of a contract to UNICOR for EPA PR-HQ-03-12341-0001on the basis that UNICOR either did not certify itself to be a Small Business or is, in fact, not a Small Business for the purposes of EPA PR-HQ-03-12341-0001. An oral Size Status Protest of the Award was made by the undersigned via telephone to Oliver M. Voss' voice mail on December 21, 2004 at 4:00 P.M. after numerous unsuccessful attempts to reach him by telephone were made by the undersigned. We specifically request a ruling by the SBA on whether UNICOR is a Small Business for the purposes of EPA PR-HQ-03-12341-0001. In the event that SBA determines UNICOR is not a Small Business for the purposes of EPA PR-HQ-03-12341-0001, CRS requests that the Award be cancelled for all awardees of EPA PR-HQ-03-12341-0001, including UNICOR, as the specific requirements of 52.219-6 Notice of Total Small Business Set-Aside were not complied with by this Award for Solicitation EPA PR-HQ-03-12341-0001. Additionally, CRS requests an independent review of this Protest by an official above the Contracting Officer.

2. **CRS Standing to Make Protest :** CRS was an offerer to EPA PR-HQ-03-12341-0001 and a receipt of the CRS proposal by EPA is at Enclosure 2. A copy of EPA PR-HQ-03-12341-0001 is at Enclosure 3. The Award letter is at Enclosure 1.

December 22, 2004

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3. Facts Submitted with Protest:

a. EPA PR-HQ-03-12341-0001 Section I - Contract Clauses I.1 NOTICE Listing Contract Clauses Incorporated by Reference contains solicitation provisions and/or contract clauses pertinent to this section incorporated by reference the following clause (as well as others):

FEDERAL ACQUISTION REGULATION (48CFR CHAPTER 1)

NUMBER	DATE	TITLE
52.219-6	JUNE 2003	NOTICE OF TOTAL SMALL BUSINESS SET-ASIDE

52.219-6 reads as follows:

52.219-6 Notice of Total Small Business Set-Aside.

As prescribed in 19.508(c), insert the following clause:

Notice of Total Small Business Set-Aside
(June 2003)

(a) Definition. "Small business concern," as used in this clause, means a concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding on Government contracts, and qualified as a small business under the size standards in this solicitation.
(b) General.
(1) Offers are solicited only from small business concerns. Offers received from concerns that are not small business concerns shall be considered nonresponsive and will be rejected.
(2) Any award resulting from this solicitation will be made to a small business concern. (Italics Added)
(c) Agreement. A small business concern submitting an offer in its own name shall furnish, in performing the contract, only end items manufactured or produced by small business concerns in the United States or its outlying areas. If this procurement is processed under simplified acquisition procedures and the total amount of this contract does not exceed $25,000, a small business concern may furnish the product of any domestic firm. This paragraph does not apply to construction or service contracts.
(End of clause)

b. FAR Subpart 19.3- Determination of Small Business Status for Small Business Programs

19.301 Representation by the offeror.

(a) To be eligible for award as a small business, an offeror must represent in good faith that it is a small business at the time of its written representation. An offeror may represent that it is a small business concern in connection with a specific solicitation if it meets the definition of a small business concern applicable to the solicitation and has not been determined by the Small Business Administration (SBA) to be other than a small business.
(b) The contracting officer shall accept an offeror's representation in a specific bid or proposal that it is a small business unless (1) another offeror or interested party challenges the concern's small business

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representation or (2) the contracting officer has a reason to question the representation. Challenges of and questions concerning a specific representation shall be referred to the SBA in accordance with 19.302.
(c) An offeror's representation that it is a small business is not binding on the SBA. If an offeror's small business status is challenged, the SBA will evaluate the status of the concern and make a determination, which will be binding on the contracting officer, as to whether the offeror is a small business. A concern cannot become eligible for a specific award by taking action to meet the definition of a small business concern after the SBA has determined that it is not a small business.
(d) If the SBA determines that the status of a concern as a small business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, small disadvantaged business, or women-owned small business has been misrepresented in order to obtain a set-aside contract, an 8(a) subcontract, a subcontract that is to be included as part or all of a goal contained in a subcontracting plan, or a prime or subcontract to be awarded as a result, or in furtherance of any other provision of Federal law that specifically references Section 8(d) of the Small Business Act for a definition of program eligibility, the SBA may take action as specified in Sections 16(a) or 16(d) of the Act. If the SBA declines to take action, the agency may initiate the process. The SBA's regulations on penalties for misrepresentations and false statements are contained in 13 CFR 121.108 for small business, 13 CFR 124.501 for 8(a) small business, 13 CFR 124.1011 for small disadvantaged business, 13 CFR 125.29 for veteran or service-disabled veteran-owned small business, and 13 CFR 126.900 for HUBZone small business.

19.302 Protesting a small business representation.

(a) An offeror, the SBA, or another interested party may protest the small business representation of an offeror in a specific offer. However, for competitive 8(a) contracts, the filing of a protest is limited to an offeror, the contracting officer, or the SBA.
(b) Any time after offers are opened, the contracting officer may question the small business representation of any offeror in a specific offer by filing a contracting officer's protest (see paragraph (c) of this section).
(c)(1) Any contracting officer who receives a protest, whether timely or not, or who, as the contracting officer, wishes to protest the small business representation of an offeror, shall promptly forward the protest to the SBA Government Contracting Area Office for the geographical area where the principal office of the concern in question is located. (2) The protest, or confirmation if the protest was initiated orally, shall be in writing and shall contain the basis for the protest with specific, detailed evidence to support the allegation that the offeror is not small. The SBA will dismiss any protest that does not contain specific grounds for the protest.
(d) In order to affect a specific solicitation, a protest must be timely. SBA's regulations on timeliness are contained in 13 CFR 121.1004. SBA's regulations on timeliness related to protests of disadvantaged status are contained in 13 CFR 124, Subpart B. (1) To be timely, a protest by any concern or other interested party must be received by the contracting officer (see paragraphs (d)(1)(i) and (ii) of this section) by the close of business of the 5th business day after bid opening (in sealed bid acquisitions) or receipt of the special notification from the contracting officer that identifies the apparently successful offeror (in negotiated acquisitions) (see 15.503(a)(2)(i) A protest may be made orally if it is confirmed in writing either within the 5-day period or by letter postmarked no later than 1 business day after the oral protest.
(ii) A protest may be made in writing if it is delivered to the contracting officer by hand, telegram, or letter postmarked within the 5-day period. (2) A contracting officer's protest is always considered timely

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whether filed before or after award. (3) A protest under a Multiple Award Schedule will be timely if received by SBA at any time prior to the expiration of the contract period, including renewals.
(e) Upon receipt of a protest from or forwarded by the Contracting Office, the SBA will- (1) Notify the contracting officer and the protester of the date it was received, and that the size of the concern being challenged is under consideration by the SBA; and (2) Furnish to the concern whose representation is being protested a copy of the protest and a blank SBA Form 355, Application for Small Business Determination, by certified mail, return receipt requested.
(f) Within 3 business days after receiving a copy of the protest and the form, the challenged offeror must file with the SBA a completed SBA Form 355 and a statement answering the allegations in the protest, and furnish evidence to support its position. If the offeror does not submit the required material within the 3 business days or another period of time granted by the SBA, the SBA may assume that the disclosure would be contrary to the offeror's interests.
(g)(1) Within 10 business days after receiving a protest, the challenged offeror's response, and other pertinent information, the SBA will determine the size status of the challenged concern and notify the contracting officer, the protester, and the challenged offeror of its decision by certified mail, return receipt requested. (2) The SBA Government Contracting Area Director, or designee, will determine the small business status of the questioned bidder or offeror and notify the contracting officer and the bidder or offeror of the determination. Award may be made on the basis of that determination. This determination is final unless it is appealed in accordance with paragraph (i) of this section, and the contracting officer is notified of the appeal before award. If an award was made before the time the contracting officer received notice of the appeal, the contract shall be presumed to be valid.
(h)(1) After receiving a protest involving an offeror being considered for award, the contracting officer shall not award the contract until (i) the SBA has made a size determination or (ii) 10 business days have expired since SBA's receipt of a protest, whichever occurs first; however, award shall not be withheld when the contracting officer determines in writing that an award must be made to protect the public interest.
(2) After the 10-day period has expired, the contracting officer may, when practical, continue to withhold award until the SBA's determination is received, unless further delay would be disadvantageous to the Government. (3) Whenever an award is made before the receipt of SBA's size determination, the contracting officer shall notify SBA that the award has been made. (4) If a protest is received that challenges the small business status of an offeror not being considered for award, the contracting officer is not required to suspend contract action. The contracting officer shall forward the protest to the SBA (see paragraph (c)(1) of this section) with a notation that the concern is not being considered for award, and shall notify the protester of this action.
(i) An appeal from an SBA size determination may be filed by any concern or other interested party whose protest of the small business representation of another concern has been denied by an SBA Government Contracting Area Director, any concern or other interested party that has been adversely affected by a Government Contracting Area Director's decision, or the SBA Associate Administrator for the SBA program involved. The appeal must be filed with the- Office of Hearings and Appeals, Small Business Administration, Suite 5900, 409 3rd Street, SW, Washington, DC 20416 within the time limits and in strict accordance with the procedures contained in Subpart C of 13 CFR 134. It is within the discretion of the SBA Judge whether to accept an appeal from a size determination. If the Judge decides not to consider such an appeal, the Judge will issue an order denying review and specifying the reasons for the decision. The SBA will inform the contracting officer of its ruling on the appeal. The SBA decision, if received before

award, will apply to the pending acquisition. SBA rulings received after award shall not apply to that acquisition.
(j) A protest that is not timely, even though received before award, shall be forwarded to the SBA Government Contracting Area Office (see paragraph (c)(1) of this section), with a notation on it that the protest is not timely. The protester shall be notified that the protest cannot be considered on the instant acquisition but has been referred to SBA for its consideration in any future actions. A protest received by a contracting officer after award of a contract shall be forwarded to the SBA Government Contracting Area Office with a notation that award has been made. The protester shall be notified that the award has been made and that the protest has been forwarded to SBA for its consideration in future actions.

c. FAR 33.103 Protests to the agency.

33.103 Protests to the agency.
(a) Reference. Executive Order 12979, Agency Procurement Protests, establishes policy on agency procurement protests.
(b) Prior to submission of an agency protest, all parties shall use their best efforts to resolve concerns raised by an interested party at the contracting officer level through open and frank discussions.
(c) The agency should provide for inexpensive, informal, procedurally simple, and expeditious resolution of protests. Where appropriate, the use of alternative dispute resolution techniques, third party neutrals, and another agency's personnel are acceptable protest resolution methods.
(d) The following procedures are established to resolve agency protests effectively, to build confidence in the Government's acquisition system, and to reduce protests outside of the agency:
(1) Protests shall be concise and logically presented to facilitate review by the agency. Failure to substantially comply with any of the requirements of paragraph (d)(2) of this section may be grounds for dismissal of the protest. (2) Protests shall include the following information:
(i) Name, address, and fax and telephone numbers of the protester.
(ii) Solicitation or contract number.
(iii) Detailed statement of the legal and factual grounds for the protest, to include a description of resulting prejudice to the protester.
(iv) Copies of relevant documents.
(v) Request for a ruling by the agency.
(vi) Statement as to the form of relief requested.
(vii) All information establishing that the protester is an interested party for the purpose of filing a protest.
(viii) All information establishing the timeliness of the protest. (3) All protests filed directly with the agency will be addressed to the contracting officer or other official designated to receive protests.
(4) In accordance with agency procedures, interested parties may request an independent review of their protest at a level above the contracting officer; solicitations should advise potential bidders and offerors that this review is available. Agency procedures and/or solicitations shall notify potential bidders and offerors whether this independent review is available as an alternative to consideration by the contracting officer of a protest or is available as an appeal of a contracting officer decision on a protest. Agencies shall designate the official(s) who are to conduct this independent review, but the official(s) need not be within the contracting officer's supervisory chain. When practicable, officials designated to conduct the independent review should not have had previous personal involvement in the procurement. If there is an agency appellate review of the contracting officer's decision on the protest, it will not extend GAO's

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timeliness requirements. Therefore, any subsequent protest to the GAO must be filed within 10 days of knowledge of initial adverse agency action (4 CFR 21.2(a)(3).
(e) Protests based on alleged apparent improprieties in a solicitation shall be filed before bid opening or the closing date for receipt of proposals. In all other cases, protests shall be filed no later than 10 days after the basis of protest is known or should have been known, whichever is earlier. The agency, for good cause shown, or where it determines that a protest raises issues significant to the agency's acquisition system, may consider the merits of any protest which is not timely filed.
(f) *Action upon receipt of protest.* (1) Upon receipt of a protest before award, a contract may not be awarded, pending agency resolution of the protest, unless contract award is justified, in writing, for urgent and compelling reasons or is determined, in writing, to be in the best interest of the Government. Such justification or determination shall be approved at a level above the contracting officer, or by another official pursuant to agency procedures. (2) If award is withheld pending agency resolution of the protest, the contracting officer will inform the offerors whose offers might become eligible for award of the contract. If appropriate, the offerors should be requested, before expiration of the time for acceptance of their offers, to extend the time for acceptance to avoid the need for resolicitation. In the event of failure to obtain such extension of offers, consideration should be given to proceeding with award pursuant to paragraph (f)(1) of this section. (3) Upon receipt of a protest within 10 days after contract award or within 5 days after a debriefing date offered to the protester under a timely debriefing request in accordance with 15.505 or 15.506, whichever is later, the contracting officer shall immediately suspend

d. Contract Clause L.3 "EPA PR-HQ-03-12341-0001")

"L.3 SERVICE OF PROTEST (FAR 52.233-2) (AUG 1996)

(a) Protests, as defined in Section 33.101 of the Federal Acquisition Regulation, that are filed directly with an agency, and copies of any protests that are filed with the General Accounting Office (GAO) shall be served on the Contracting Officer (addressed as follows) by obtaining written and dated acknowledgement of receipt from:

Oliver M. Voss
Hand-Carried Address:
Environmental Protection Agency
1300 Pennsylvania Avenue, N.W.
Washington, DC 20004

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Mailing Address:

Environmental Protection Agency
1200 Pennsylvania Avenue, N.W.
Washington, DC 20460

(b) The copy of any protest shall be received in the office designated above within one day of filing a protest with the GAO.

e. An extract From Annex K of EPA PR-HQ-03-12341-0001 attached in Enclosure 3 contains the following representations in part:

"K.2 SMALL BUSINESS PROGRAM REPRESENTATIONS (FAR 52.219-1) (APR 2002)

"The North American Industry Classification System (NAICS) code for this acquisition is _____ *[insert NAICS code]*.
(2) The small business size standard is _____ *[insert size standard]*.
(3) The small business size standard for a concern which submits an offer in its own name, other than on a construction or service contract, but which proposes to furnish a product which it did not itself manufacture, is 500 employees.

(b) *Representations.*
(1) The offeror represents as part of its offer that it [ ]is, [ ]is not a small business concern."

"K.4 SIGNATURE BLOCK (EP 52.299-900) (APR 1984)

I hereby certify that the responses to the above Representations, Certifications and other statements are accurate and complete.

Signature:_____

Title :_____

Date :_____

Amendment/Modification No. PR-HQ-03-12341/0001 with Effective Date 04/01/04

"5. Provision K.2, "SMALL BUSINESS PROGRAM REPRESENTATIONS (FAR 52.219-1)", the NAICS for this requirement is 562920, 562211, and 562219, each of which has a a small business size standard of $10.5 million."

f. Attached at Enclosure 4 is the CCR Registration for UNICOR/Federal Prison Industries, 320 First St. NW, Washington, DC 20534-0001, DUNS: 626627459 printed on 12/20/2004. The attached CCR Registration for UNICOR/Federal Prison Industries DUNS: 626627459 as Enclosure 4 contains no representations as to its Small Business Status.

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g. A copy of Federal Prison Industries, Inc. (FPI) FY 2003 as posted on the internet at http://www.unicor.gov/customer/03independentfinancial.pdf as of December 20, 2004 is attached as Enclosure 5.

h. A copy Federal Prison Industries, Inc. Annual Report 2002 as posted on the internet at http://www.unicor.gov/customer/Unicor%20Annual%20Report%2002%20Fin.pdf as of December 20, 2004 is attached as Enclosure 6.

4. Legal Grounds:

a. The Award is a violation of FAR 52.219-6, Notice of Total Small Business Set-Aside, which states in part:

> *(b) General.*
> *(1) Offers are solicited only from small business concerns. Offers received from concerns that are not small business concerns shall be considered nonresponsive and will be rejected.*
> *(2) Any award resulting from this solicitation will be made to a small business concern. (Italics Added)*

UNICOR does not meet the requirements of this solicitation as set forth in Paragraph 5, Page 2 of 2 of Amendment/Modification No. PR-HQ-03-12341/0001 with Effective Date 04/01/04, which is quoted as follows: "5. Provision K.2, "SMALL BUSINESS PROGRAM REPRESENTATIONS (FAR 52.219-1)", the NAICS for this requirement is 562920, 562211, and 562219, each of which has a small business size standard of $10.5 million." Utilizing the definition of Annual Receipts as defined in 19.101 Explanation of Terms, "Annual receipts" are as follows:

> (1) Annual receipts of a concern which has been in business for 3 or more complete fiscal years means the annual average gross revenue of the concern taken for the last 3 fiscal years. For the purpose of this definition, gross revenue of the concern includes revenues from sales of products and services, interest, rents, fees, commissions and/or whatever other sources derived, but less returns and allowances, sales of fixed assets, interaffiliate transactions between a concern and its domestic and foreign affiliates, and taxes collected for remittance (and if due, remitted) to a third party. Such revenues shall be measured as entered on the regular books of account of the concern whether on a cash, accrual, or other basis of accounting acceptable to the U.S. Treasury Department for the purpose of supporting Federal income tax returns, except when a change in accounting method from cash to accrual or accrual to cash has taken place during such 3-year period, or when the completed contract method has been used.
> (i) In any case of change in accounting method from cash to accrual or accrual to cash, revenues for such 3-year period shall, prior to the calculation of the annual average, be restated to the accrual method. In any case, where the completed contract method has been used to account for revenues in such 3-year period, revenues must be restated on an accrual basis using the percentage of completion method.
> (ii) In the case of a concern which does not keep regular books of accounts, but which is subject to U.S. Federal income taxation, "annual receipts" shall be measured as reported, or to be reported to the U.S. Treasury Department, Internal Revenue Service, for Federal income tax purposes, except that any return based on a change in accounting method or

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on the completed contract method of accounting must be restated as provided for in the preceding paragraphs.
(2) Annual receipts of a concern that has been in business for less than 3 complete fiscal years means its total receipts for the period it has been in business, divided by the number of weeks including fractions of a week that it has been in business, and multiplied by 52. In calculating total receipts, the definitions and adjustments related to a change of accounting method and the completed contract method of paragraph (1) of this definition, are applicable.

In addition, size eligibility provisions and standards are as quoted below:

[65 FR 30840, May 15, 2000, as amended at 67 FR 52602, Aug. 13, 2002] is quoted below:

[Code of Federal Regulations]
[Title 13, Volume 1]
[Revised as of January 1, 2004]
From the U.S. Government Printing Office via GPO Access
[CITE: 13CFR121.101]

[Page 282-283]

TITLE 13--BUSINESS CREDIT AND ASSISTANCE

CHAPTER I--SMALL BUSINESS ADMINISTRATION

PART 121_SMALL BUSINESS SIZE REGULATIONS--Table of Contents

Subpart A_Size Eligibility Provisions and Standards

Sec. 121.101 What are SBA size standards?

Provisions of General Applicability

(a) SBA's size standards define whether a business entity is small and, thus, eligible for Government programs and preferences reserved for ``small business" concerns. Size standards have been established for types of economic activity, or industry, generally under the North American Industry Classification System (NAICS).
(b) NAICS is described in the North American Industry Classification Manual--United States, which is available from the National Technical Information Service, 5285 Port Royal Road, Springfield, VA 22161; by calling 1(800) 553-6847 or 1(703) 605-6000; or via the

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> Internet at http://www.ntis.gov/yellowbk/1nty205.htm. The manual includes definitions for each industry, tables showing relationships between 1997 NAICS and 1987 SICs, and a comprehensive index. NAICS assigns codes to all economic activity within twenty broad sectors. Section 121.201 provides a full table of small business size standards matched to the U.S. NAICS industry codes. A full table matching a size standard with each NAICS Industry or U.S. Industry code is also published annually by SBA in the Federal Register.
>
> [65 FR 30840, May 15, 2000, as amended at 67 FR 52602, Aug. 13, 2002]

Submitted below, find UNICOR's net sales information and U.S. Government receipts for affiliation purposes relevant to Size Determination:

UNICOR NET SALES	FY 2003	FY 2002	FY 2001	3 YEAR AVG
	NOTE: 1	NOTE: 1	NOTE: 2	
NET SALES	$666,763,000	$678,655,000	$583,500,000	$642,972,667
MULTIPLE TO NEAREST WHOLE NUMBER		61		

DATA SOURCE:
NOTE 1: A copy of Federal Prison Industries, Inc. (FPI) FY 2003 as posted on the internet at: http://www.unicor.gov/customer/03independentfinancial.pdf as of December 20, 2004 is attached as Enclosure 5.
NOTE:2 A copy Federal Prison Industries, Inc. Annual Report 2002 as posted on the internet at http://www.unicor.gov/customer/Unicor%20Annual%20Report%2002%20Fin.pdf .

UNITED STATES GOVERNMENT	FY 2003	FY 2002	FY 2001	NOTE: 4
	NOTES: 3, 4	NOTES: 3, 4	NOTES: 3,4	3 YEAR AVG
RECEIPTS	$1,782.3	$1,853.2	$1,991.2	$1,876
MULTIPLE TO NEAREST WHOLE NUMBER		178,667		

NOTE: 3 Data source http://www.gpoaccess.gov/usbudget/fy05/sheets/b78.xls
NOTE: 4 Billions of Dollars

b. CRS believes that paragraph 4.a of this Protest provides clear and convincing evidence that UNICOR is not a Small Business for the purpose of eligibility to make an offer for EPA PR-HQ-03-12341-0001. UNICOR is not an eligible offerer for EPA PR-HQ-03-12341-0001.

c. Allowing UNICOR to offer and making the Award allowed all submissions and negotiations for EPA PR-HQ-03-12341-0001 to proceed on an unfair basis. CRS offered and negotiated under the assumption that only Small Businesses would be allowed to compete for EPA PR-HQ-03-12341-0001. If the provision of EPA PR-HQ-03-12341-0001 had allowed offers from organizations that are not, by definition, Small Businesses CRS would have used a much different offering and strategy for EPA PR-HQ-03-12341-0001.

December 22, 2004

RE: Creative Recycling Systems, Inc. Size Status Protest for the United States Small Business Administration's ("SBA") Small Business Set-Aside Program for Represented Contract Award to UNICOR: Federal Prison Industries, 320 1st St, NW, Washington, DC 20534 for the United States Environmental Protection Agency's Represented Contract Award for Procurement Number PR-HQ-03-12341 dated March 19, 2004 with Amendment/Modification No. PR-HQ-03-12341/0001 with Effective Date 04/01/04 ("EPA PR-HQ-03-12341-0001")

Allowing UNICOR to offer and the subsequent Award to UNICOR specifically denied CRS' right to due process of law and specifically negated CRS' rights under FAR 1.602-1(b) which states:

> (b) No contract shall be entered into unless the contracting officer ensures that all requirements of law, executive orders, regulations, and all other applicable procedures, including clearances and approvals, have been met.

CRS' due process of law rights under FAR 1.602-2 were also violated by the Award. Processes that violate the law and regulations established under them are inherently unfair as they disadvantage those who abide by the laws and regulations. FAR 1.602-2 states:

> **1.602-2 Responsibilities.**
>
> Contracting officers are responsible for ensuring performance of all necessary actions for effective contracting, ensuring compliance with the terms of the contract, and safeguarding the interests of the United States in its contractual relationships. In order to perform these responsibilities, contracting officers should be allowed wide latitude to exercise business judgment. Contracting officers shall-
>
> (a) Ensure that the requirements of 1.602-1(b) have been met, and that sufficient funds are available for obligation;
> (b) Ensure that contractors receive impartial, fair, and equitable treatment; and
> (c) Request and consider the advice of specialists in audit, law, engineering, transportation, and other fields, as appropriate.

The provisions of FAR 1.602-2 were clearly not met by the Award.

5. Relief:

CRS seeks from the EPA and SBA the rulings, relief, and assistance as requested in this Protest. Additionally, CRS respectively requests all relief deemed appropriate by the EPA and SBA.

BY: Joseph C. Yob, Jr.

Date Submitted: December 22, 2004

Joseph C. Yob, Jr.
Vice President
Creative Recycling Systems, Inc.

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

OFFICE OF
ADMINISTRATION
AND RESOURCES
MANAGEMENT

15 December 2004

Creative Recycling Systems, Inc.
7501 Interbay Blvd.
Attention: Mr. Joseph C. Yob, Jr.
Tampa, FL 33616

Subject: Award Information on Solicitation Number PR-HQ-03-12341

Dear Mr. Yob:

The subject solicitation has resulted in award of the Recycling Electronic and Asset Disposition (READ) Services GWAC, a series of eight (8) contracts. The name, address, and evaluated potential value of the offerors receiving the awards are:

National:

- MOLAM International Inc.
  925 Industrial Park Dr
  Marietta, GA 30062

  Evaluated Cost: $538,267.50

- Supply-Chain Services, Inc.
  250 W. North Ave
  Lombard, IL 0148

  Evaluated Cost: $1,941,632.50

- UNICOR: Federal Prison Industries
  320 1st St, NW
  Washington, DC 20534

  Evaluated Cost: $579,037.50

Eastern:

- Asset Recovery Corporation
  150 State St
  St. Paul, MN 55107

  Evaluated Cost: $2,461,250.00

- Hesstech LLC
  45 Executive Ave
  Edison, NJ 08817

  Evaluated Cost: $2,190,792.50

- Liquidity Services, Inc.
  2131 K Street, NW
  4th Floor
  Washington, DC 20037

  Evaluated Cost: $2,245,067.50

Western:

- Global Investment Recovery, Inc
  540 East Henry Ave
  Tampa, FL 33610

  Evaluated Cost: $2,105,922.50

- HOBI International
  1202 Nagel Blvd.
  Batavia, IL 60510

  Evaluated Cost: $2,227,752.50

For your information, a total of forty-two proposals were received in response to the solicitation. Seventeen proposals were determined to be in the competitive range.

We appreciate your interest in our requirements, as expressed by your proposal. We will consider your organization should future requirements arise for products or services of the type offered by your proposal. However, the Government will not be considering subsequent revisions of your proposal for this procurement. If you desire, you may request, in writing, a formal debriefing during which additional information regarding your proposal will be furnished. No response is required unless you would like to challenge the small business size standard of one of the successful offerors.

If you have any questions or concerns regarding this letter, please contact the undersigned at (202) 564-4767.

Sincerely,

David F. Fuller
Contracting Officer

Joseph C. Yob, Jr.

From: Brunsman.Andrea@epamail.epa.gov
Sent: Wednesday, December 15, 2004 10:38 AM
To: Joseph C. Yob, Jr.
Subject: READ

CRS Letter.PDF (73 KB)

Joe -

We appreciate your interest in our requirements. We will keep your organization in mind for future requirements.

(See attached file: CRS Letter.PDF)

Andrea L. Brunsman
US EPA Contract Specialist
phone: (202)564.9699
fax: (202)565.2560

Explain your problem:

Dear Congressman Putnam:

I am a constituent of your congressional district. Our business, Creative Recycling Systems, Inc. ("CRS") is located at 7501 Interbay Boulevard, Tampa, Florida 33616 and performs services for constituents in Florida's 12th Congressional District as well as many other Florida Congressional Districts. CRS protested the Award of contracts as contained in the attached Enclosure 1 PR-HQ-03-12341 Award Letter.pdf ("Award") from EPA in the attached document. CRS' protest letter is attached as sizeprotestletterPR-HQ-03-12341.pdf ("Protest") We have not received an answer to the attached Protest from either EPA and/or SBA. Creative Recycling Systems, Inc. requests your assistance in obtaining an answer to our Protest. Bill Montalto of Congressman Pete Hoekstra's office is already working on the underlying policy issues of UNICOR: Federal Prison Industries, Inc. being awarded a contract as a small business and we recommend your staff contact Mr. Montalto concerning the underlying policy issues as an adverse determination concerning these issues in this procurement could have disastrous affects on small businesses throughout the United States. Please feel free to contact me at (b) (6) [redacted] or via e-mail. Thank you for your timely assistance in this matter.

Best regards,

Joseph C. Yob, Jr.
Vice President
Creative Recycling Systems, Inc.

Caseworker:_____
Date:_____

ADAM H. PUTNAM
12TH DISTRICT, FLORIDA

COMMITTEE ON RULES

1213 LONGWORTH HOUSE OFFICE BUILDING
WASHINGTON, DC 20515–0912
(202) 225–1252

650 EAST DAVIDSON STREET
BARTOW, FL 33830–4832
(863) 534–3530
1 (866) 534–3530

www.adamputnam house gov

Congress of the United States
House of Representatives

July 18, 2005

Ms. Mary Frazier
Environmental Protection Agency
Office of Congressional and Intergovernmental Relations
61 Forsyth St SW
Atlanta, Georgia 30303

Dear Ms. Frazier:

Enclosed is information received from my constituent, Mr. Charles Prout. Mr. Prout is concerned about the award of a federal procurement contract designated for small business to UNICOR, a government corporation.

Any assistance your office can provide to Mr. Prout would be greatly appreciated. Please keep me advised by sending a reply to my district office at 650 East Davidson Street, Bartow, Florida 33830.

Thank you for your assistance.

May God bless America.

Sincerely yours,

Adam H. Putnam

Adam H. Putnam
Member of Congress

AHP:at

Enclosure

PRINTED ON RECYCLED PAPER

Creative Recycling Systems, Inc.

Charles D. Prout
Marketing Consultant

(b) (6)
Tallahassee, FL (b)

(b) (6)

Cell: (b) (6)
(b) (6)
(b) (6)
Fax: 850.894.2779

July 8, 2005

Re: UNICOR

Ms. Amy Topol:

Thank you for your help. A letter of inquiry of how this could have happened would be appreciated. Please call me is you need more information, (b) (6).

Thank you,

Charlie

Charles D. Prout
Creative Recycling
38 Mary Lou Trail
Crawfordville, FL 32327

(b) (6)

POSITION PAPER RELIEF & REFORM OF UNFAIR PRACTICES AFFECTING SMALL BUSINESSES BY FEDERAL PRISON INDUSTRIES, INC.
JUNE 30, 2005

EXECUTIVE SUMMARY: Federal Prison Industries, Inc. ("FPI" a/k/a "UNICOR"), a wholly owned federal government corporation, has unfairly competed with small businesses for EPA Procurement PR-HQ-03-12341, Recycling Electronics and Asset Disposition Government Wide Acquisition Contract ("READ GWAC") (See TAB A.1.) On December 16, 2004 the U.S. Environmental Protection Agency ("EPA") awarded Contract EP-W-05-003 to FPI for EPA Procurement PR-HQ-03-12341 (See TAB A.2). The READ GWAC was a procurement totally set aside and reserved exclusively for small businesses. On February 3, 2005 the U.S. Small Business Administration ("SBA") Area 2 Government Contracting Office acting on protests filed by Creative Recycling Systems, Inc. ("CRS") (See TAB A.3)and Global Investment Recovery ("Global") issued a Size Determination for Case No. 2-2005-23 & 42 (See Tab B) in which the SBA determined that FPI was not eligible for a contract award for the EPA READ GWAC. EPA subsequently sustained CRS's protest without limitation/qualification on February 8, 2005. CRS's sustained protest called for the cancellation of all contract awards for the READ GWAC (See TAB C). On May 19, 2005 an official from the EPA stated in an industry conference that UNICOR's (FPI's trade name) contract award had been terminated by a technicality and that UNICOR would still be providing READ GWAC services as a subcontractor. The Federal Procurement Data System – Next Generation ("FDPS-NG) indicated on June 27, 2005 that SDS National LLC was awarded a READ GWAC contract on December 16, 2004 (See Tab D). SDS National LLC was not included on the December 15, 2004 Award Letter (See TAB A.2). In fact the U.S. Small Business Administration Office of Hearings and Appeals Decision RE: SDS National, LLC, No. 4676 (December 29, 2004) Docket No. SIZ-2004-10-12-60 makes reference to a SBA Area 4 Government Contracting Office Size Determination issued on September 22, 2004 that found that SDS National LLC was other than a small business concern and in fact an affiliate of UNICOR (See Tab E) for Solicitation No. SP4410-03-R- 6006 Defense Logistics Agency. Both UNICOR and SDS National LLC competed for the READ GWAC.

UNICOR's position has been that Congress in enacting Section 637 of Public Law 108-199 required procuring activities to allow UNICOR to compete against small businesses for total small business set-asides for service contracts. As a matter of law the SBA has decided that FPI is not eligible to compete for small business set aside service contracts yet its ruling is apparently being made meaningless by back door subcontracting by FPI. In fact the Congressional authors of Section 637 of Public Law 108-199 are totally baffled by FPI's interpretation of the law. Congress never intended to allow a government owned corporation, which has made total sales of over $2 billion dollars in the last three fiscal years to compete with small businesses as a small business. It is an absolute outrage that FPI suggests that the authors of Section 637 of Public Law 108-199 had any such intent. It is beyond comprehension how anyone could consider it fair that small businesses; many which are owned by single mothers, minorities, disabled persons, and veterans should have to compete against a government corporation that pays its convict workers in most cases about one fourth the federal minimum wage; pays no Social Security or Medicare taxes on the wages paid its convict workers; pays no state or local payroll taxes in support of local communities for its convict workers; provides no benefits for its prisoner workforce; and pays no federal, state, or local taxes on its profits.

RELIEF SOUGHT: CRS seeks relief for the small businesses affected by UNICOR's unfair competition for the READ GWAC procurement as follows:

1. Cancellation of EPA Procurement PR-HQ-03-12341 in its entirety.
2. That the eight small businesses in the competitive range for PR-HQ-03-12341 which were not selected for contract awards for PR-HQ-03-12341 prior to December 17, 2004 as documented on June 15, 2005 in the Federal Procurement Data System – Next Generation (FPDS-NG) each receive the following monetary compensation:
   a. Reimbursement of their proposal costs for EPA Procurement PR-HQ-03-12341.
   b. Payment of 15% of the maximum amount authorized by Clause B.2 of PR-HQ-03-12341.
   c. Reimbursement for reasonable legal and attorney costs expended to collect the amounts authorized by 2.a and 2.b above.

REFORM:

1. We recommend that the Senate introduce similar if not identical legislation to Congressman Hoekstra's Bill H.R. 2965 (109th Congress) and work with the House of Representatives to enact these reforms into law this year.

2. That the appropriate small business protections contained in Senate Bill 749 (109th Congress) sponsored by Senators Levin, Grassly, Thomas, and Stabenow be reported out of committee expeditiously and be enacted into law this year.

RELIEF SOUGHT: CRS seeks relief for the small businesses affected by UNICOR's unfair competition for the READ GWAC procurement as follows:

1. Cancellation of EPA Procurement PR-HQ-03-12341 in its entirety.
2. That the eight small businesses in the competitive range for PR-HQ-03-12341 which were not selected for contract awards for PR-HQ-03-12341 prior to December 17, 2004 as documented on June 15, 2005 in the Federal Procurement Data System – Next Generation (FPDS-NG) each receive the following monetary compensation:
   a. Reimbursement of their proposal costs for EPA Procurement PR-HQ-03-12341.
   b. Payment of 15% of the maximum amount authorized by Clause B.2 of PR-HQ-03-12341.
   c. Reimbursement for reasonable legal and attorney costs expended to collect the amounts authorized by 2.a and 2.b above.

REFORM:

1. We recommend that the Senate introduce similar if not identical legislation to Congressman Hoekstra's Bill H.R. 2965 (109th Congress) and work with the House of Representatives to enact these reforms into law this year.

2. That the appropriate small business protections contained in Senate Bill 749 (109th Congress) sponsored by Senators Levin, Grassly, Thomas, and Stabenow be reported out of committee expeditiously and be enacted into law this year.

[illegible]

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

CT ID CODE		PAGE OF PAGES	1
IENT/MODIFICATION NO.	VE DATE	TION/PURCHASE REQ. NO.	T NO. (If applicable)
PR-HQ-03-12341/0001	04/01/04	PR-HQ-03-12341	
BYCODE		TERED BY (If other than Item6) CODE	

Environmental Protection Agency
Bid and Proposal Room, Ariel Rios Building (3802R)
1200 Pennsylvania Avenue, N.W.
Washington, DC 20460

ND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code)

(✓) ENT OF SOLICITATION NO.
PR-HQ-03-12341
SEE ITEM 11)
✓ 03/19/04
FICATION OF CONTRACT/ORDER
ED (SEE ITEM 13)

CODE | FACILITY CODE

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

[X] The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers [ ] is extended, [X] is not extended.

Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing items 8 and 15, and returning 1 copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

ITING AND APPROPRIATION DATA (If required)

13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

(✓)	ANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CON- ORDER NO. IN ITEM 10A
	OVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, n date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
	PPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
	Specify type of modification and authority)

ANT: Contractor [ ] is not, [ ] is required to sign this document and return _____ copies to the issuing office.

TION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

Please see page 2 of this Amendment for changes.

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

E AND TITLE OF SIGNER (Type or print)		E AND TITLE OF CONTRACTING OFFICER (Type or print)	
		OLIVER M. VOSS	
TRACTOR/OFFEROR	E SIGNED	ED STATES OF AMERICA	E SIGNED
(Signature of person authorized to sign)		/Signed/ (Signature of Contracting Officer)	4/1/2004

NSN 7540-01-152-8070
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30-105

STANDARD FORM 30 (REV 10-83)
Prescribed by GSA
FAR (48 CFR) 52.243

AMENDMENTS TO THE SOLICITATION

The purpose of this amendment it change the following:

1. Clause B.1, "FIXED RATES FOR SERVICES - INDEFINITE DELIVERY/INDEFINITE QUANTITY CONTRACT (EPAAR 1552.216-73)", the following CLINS were changed: 0004a/b/c, 1004a/b/c, 2004a/b/c, 3004a/b/c, 4004a/b/c. The word Laptop is replaced with the word Printer. Also, the first sentence of the last paragraph which reads "The Contractor shall voucher for only the time of the personnel whose services are applied directly to the work called for in individual Task Orders and accepted by the Task Order Project Officer (TOPO)" is removed.

2. Clause C.3, "Statement of Objectives", under the last paragraph, Hawaii is added to the list of states in Group C.

3. Clause H.7, "EPA ELECTRONIC RECYCLING AND ASSET DISPOSITION CERTIFICATION", in the second to last paragraph, the following sentence is changed to read as follows:

If EPA determines that a company has discontinued the practice of legitimate recycling and asset disposition (e.g., the contractor has begun *prohibited or unauthorized* transporting electronic components to shipping docks or has brokered items such as computer monitors to the *unauthorized parties*), then EPA reserves the right to withdraw the certification that it previously authorized."

4. Clause I.2, "Ordering", the date in the first paragraph is changed from December 31, 2004, to April 30, 2005.

5. Provision K.2, "SMALL BUSINESS PROGRAM REPRESENTATIONS (FAR 52.219-1)", the NAICS for this requirement is 562920, 562211, and 562219, each of which has a a small business size standard of $10.5 million.

6. Provision L.7, "PROPOSAL PREPARATION INSTRUCTIONS", under section B, "The Technical Proposal", Paragraph 1 and Evaluation Factor 1, the following was added to the titles: "... and Sample Task Order". Both sections now read:

Evaluation Factor 1 - Technical Capability and Approach, Management Approach, Subcontract Organization and Tasking; and Sample Task Order

7. Provision M.3, "EVALUATION FACTORS FOR AWARD (EPAAR 1552.215-71)", under "Technical Factors/Subfactors", Factor 1, the following was added to the title: "...and Sample Task Order". The section now reads:

Factor 1 - Technical Capability and Approach, Management Approach, Subcontract Organization and Tasking, and Sample Task Order.

8. All other terms and conditions remain unchanged.

SOLICITATION, OFFER AND AWARD	1 THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 700)	RATING N/A	PAGE OF PAGES 1

2 CONTRACT NUMBER	3 SOLICITATION NUMBER	4 TYPE OF SOLICITATION	5 DATE ISSUED	6 REQUISITION/PURCHASE NUMBER
	PR-HQ-03-12341	[ ] SEALED BID (IFB) [X] NEGOTIATED (RFP)	March 19, 2004	PR-HQ-03-12341

7. ISSUED BY (Hand Delivered/Overnight Commercial Carriers) CODE

Environmental Protection Agency
Bid and Proposal Room, Ronald Reagan Building, 6th Floor (3802R)
1300 Pennsylvania Avenue, N.W.
Washington, DC 20004

8 ADDRESS OFFER TO (If other than Item 7) (U. S Mail Only)

Environmental Protection Agency
Bid and Proposal Room, Ariel Rios Building (3802R)
1200 Pennsylvania Avenue, N.W.
Washington, DC 20460

NOTE: In sealed bid solicitations "offer" and "offeror" mean "bid" and "bidder"

SOLICITATION

9 Sealed offers in original and 2 copies for furnishing the supplies or services in the Schedule will be received at the place specified in item 8, or if handcarried, in the depository until 02:00 PM (Hour) local time 4/19/2004 (Date)

CAUTION - LATE Submissions, Modifications, and Withdrawals: See Section L, Provision No. 52.214-7 or 52 215-1 All offers are subject to all terms and conditions contained in this solicitation.

10 FOR INFORMATION CALL:	A. NAME	B. TELEPHONE (NO COLLECT CALLS) AREA CODE	NUMBER	EXT.	C E-MAIL ADDRESS
	OLIVER M. VOSS	202	564-4514		voss.oliver@epa.gov

11. TABLE OF CONTENTS

(X)	SEC.	DESCRIPTION	PAGE (S)	(X)	SEC.	DESCRIPTION	PAGE (S)
PART I - THE SCHEDULE						PART II - CONTRACT CLAUSES	
	A	SOLICITATION/CONTRACT FORM			I	CONTRACT CLAUSES	
	B	SUPPLIES OR SERVICES AND PRICES/COSTS				PART III - LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACH.	
	C	DESCRIPTION/SPECS./WORK STATEMENT			J	LIST OF ATTACHMENTS	
	D	PACKAGING AND MARKING				PART IV - REPRESENTATIONS AND INSTRUCTIONS	
	E	INSPECTION AND ACCEPTANCE			K	REPRESENTATIONS, CERTIFICATIONS, AND OTHER STATEMENTS OF OFFERORS	
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	G	CONTRACT ADMINISTRATION DATA			L	INSTRS., CONDS., AND NOTICES TO OFFERORS	
	H	SPECIAL CONTRACT REQUIREMENTS			M	EVALUATION FACTORS FOR AWARD	

OFFER (Must be fully completed by offeror)

NOTE. Item 12 does not apply if the solicitation includes the provisions in 52.214-16, Minimum Bid Acceptance Period

12. In compliance with the above, the undersigned agrees, if this offer is accepted within _____ calender days (60 calendar days unless a different period is inserted by the offeror) from the date for receipt of offers specified above, to furnish any or all items upon which prices are offered at the price set opposite each item, delivered at the designated point(s), within the time specified in the schedule.

13. DISCOUNT FOR PROMPT PAYMENT (See Section I, Clause 52-232-8)	10 CALENDAR DAYS %	20 CALENDAR DAYS %	30 CALENDAR DAYS %	__ CALENDAR DAYS %

14. ACKNOWLEDGMENT OF AMENDMENTS (The offeror acknowledges receipt of amendments to the SOLICITATION for offerors and related documents numbered and dated:)	AMENDMENT NO.	DATE	AMENDMENT NO.	DATE

15A. NAME AND ADDRESS OF OFFEROR	CODE	FACILITY	16 NAME AND TITLE OF PERSON AUTHORIZED TO SIGN OFFER (Type or print)

15B TELEPHONE NUMBER AREA CODE	NUMBER	EXT.	15C. CHECK IF REMITTANCE ADDRESS IS DIFFERENT FROM ABOVE - ENTER [ ] SUCH ADDRESS IN SCHEDULE	17. SIGNATURE	18 OFFER DATE

AWARD (To be completed by Government)

19. ACCEPTED AS TO ITEMS NUMBERED	20. AMOUNT	21. ACCOUNTING AND APPROPRIATION

22. AUTHORITY FOR USING OTHER THAN FULL AND OPEN COMPETITION: [ ] 10 U.S.C. 2304(c)( ) [ ] 41 U.S.C. 253(c)( )	23. SUBMIT INVOICES TO ADDRESS SHOWN IN (4 copies unless otherwise specified)	ITEM

24 ADMINISTERED BY (If other than item 7) CODE

25. PAYMENT WILL BE MADE BY CODE:

Environmental Protection Agency
Research Triangle Park Financial
Management Center (D143-02)
Research Triangle Park, NC 27711

26 NAME OF CONTRACTING OFFICER (Type or print)	27. UNITED STATES OF AMERICA (Signature of Contracting Officer)	28. AWARD DATE

IMPORTANT - Award will be made on this Form, or on Standard Form 26, or by other authorized official written notice.

AUTHORIZED FOR LOCAL REPRODUCTION
Previous edition is unusable

STANDARD FORM 33 (REV 9-97)
Prescribed by GSA - FAR (48 CFR) 53 214(c)

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PART I - THE SCHEDULE

SECTION B - SUPPLIES OR SERVICES AND PRICES/COSTS

B.1 FIXED RATES FOR SERVICES--INDEFINITE DELIVERY/INDEFINITE QUANTITY CONTRACT (EPAAR 1552.216-73) (APR 1984)

The EPA Recycling Electronics and Asset Disposition (READ) services program consists of a number of fixed rate, indefinite delivery/indefinite quantity (ID/IQ) contracts designed to provide the Federal Government, as well as State and Local and other Government agencies, recycling and asset disposition solutions. The contracts are performance based and contractors are free to propose the best, economically feasible solution to meet the requirements of each specific task order.

Unless exempted (see FAR 16.505), each task order will be competed in accordance with fair opportunity competitive procedures described in Section G, "Task Order Fair Opportunity Procedures." The READ fair opportunity procedures will maintain an ongoing competitive environment throughout the life of the contract. The performance based structure of each task order will allow contractors to craft innovative, state-of-the-art solutions and methodologies for each specific requirement.

It is anticipated that each competed action will result in a fixed price, performance-based task order for that particular requirement.

It is estimated that the Federal Government, and other eligible contract users, will generate thousands of obsolete electronic units of various sizes and types per year. This contract addresses the need to recycle and properly dispose of these surplus items. In order to develop a pricing strategy for each task order requirement, the following fixed rates shall apply for the duration of the contract:

BASE Period (Date of Award through 4/30/05)

Item	Item Description	Item Price - TBD*
0001	Price per PC Desktop Workstation (includes peripherals mouse, keyboard, speakers)	$0.00
0001a	Price per PC if over 25 units	$0.00
0001b	Price per PC if over 100 units	$0.00
0001c	Price per PC if over 500 units	$0.00
0002	Price per PC Monitor	$0.00
0002a	Price per Monitor if over 25 units	$0.00
0002b	Price per Monitor if over 100 units	$0.00
0002c	Price per Monitor if over 500 units	$0.00
0003	Price per PC Laptop	$0.00
0003a	Price per Laptop if over 25 units	$0.00
0003b	Price per Laptop if over 100 units	$0.00
0003c	Price per Laptop if over 500 units	$0.00
0004	Price per Desktop Printer	$0.00
0004a	Price per Laptop if over 25 units	$0.00

0004b	Price per Laptop if over 100 units	$0.00
0004c	Price per Laptop if over 500 units	$0.00
0005	Price per Facsimile Machine	$0.00
0005a	Price per Facsimile if over 25 units	$0.00
0005b	Price per Facsimile if over 100 units	$0.00
0005c	Price per Facsimile if over 500 units	$0.00
0006	Price per Shredding Machine	$0.00
0006a	Price per Shredder if over 20 units	$0.00
0006b	Price per Shredder if over 50 units	$0.00
0006c	Price per Shredder if over 100 units	$0.00
0007	Price per Copying Machine	$0.00
0007a	Price per Copier if over 20 units	$0.00
0007b	Price per Copier if over 50 units	$0.00
0007c	Price per Copier if over 100 units	$0.00
0008	Price per Cellular/Standard Phone	$0.00
0008a	Price per Phone if over 50 units	$0.00
0008b	Price per Phone if over 100 units	$0.00
0008c	Price per Phone if over 500 units	$0.00
0009	Price per Scanning Machine	$0.00
0009a	Price per Scanner if over 50 units	$0.00
0009b	Price per Scanner if over 100 units	$0.00
0009c	Price per Scanner if over 500 units	$0.00
0010	Price per CRT Television (TV)	$0.00
0010a	Price per TV if over 25 units	$0.00
0010b	Price per TV if over 100 units	$0.00
0010c	Price per TV if over 500 units	$0.00
0011	Price per pound for all other non serialized peripherals or other electronic equipment as follows: cables, connectors, jacks, splitter & cluster boxes, buffers, converters, bar code readers, optical drives, tape drives, hard/floppy drives, repeater, transceiver, power backup, surge protectors, voltage regulators, modems, calculators, computer racks, projectors, video cassette recorders (vcrs), televisions, and cameras.	$0.00/lb.

Option Period I - (5/1/05 through 4/30/06)

Item	Item Description	Item Price - TBD*
1001	Price per PC Desktop Workstation (includes peripherals mouse, keyboard, speakers)	$0.00
1001a	Price per PC if over 25 units	$0.00
1001b	Price per PC if over 100 units	$0.00
1001c	Price per PC if over 500 units	$0.00
1002	Price per PC Monitor	$0.00
1002a	Price per Monitor if over 25 units	$0.00
1002b	Price per Monitor if over 100 units	$0.00

1002c	Price per Monitor if over 500 units	$0.00
1003	Price per PC Laptop	$0.00
1003a	Price per Laptop if over 25 units	$0.00
1003b	Price per Laptop if over 100 units	$0.00
1003c	Price per Laptop if over 500 units	$0.00
1004	Price per Desktop Printer	$0.00
1004a	Price per Laptop if over 25 units	$0.00
1004b	Price per Laptop if over 100 units	$0.00
1004c	Price per Laptop if over 500 units	$0.00
1005	Price per Facsimile Machine	$0.00
1005a	Price per Facsimile if over 25 units	$0.00
1005b	Price per Facsimile if over 100 units	$0.00
1005c	Price per Facsimile if over 500 units	$0.00
1006	Price per Shredding Machine	$0.00
1006a	Price per Shredder if over 20 units	$0.00
1006b	Price per Shredder if over 50 units	$0.00
1006c	Price per Shredder if over 100 units	$0.00
1007	Price per Copying Machine	$0.00
1007a	Price per Copier if over 20 units	$0.00
1007b	Price per Copier if over 50 units	$0.00
1007c	Price per Copier if over 100 units	$0.00
1008	Price per Cellular/Standard Phone	$0.00
1008a	Price per Phone if over 50 units	$0.00
1008b	Price per Phone if over 100 units	$0.00
1008c	Price per Phone if over 500 units	$0.00
1009	Price per Scanning Machine	$0.00
1009a	Price per Scanner if over 50 units	$0.00
1009b	Price per Scanner if over 100 units	$0.00
1009c	Price per Scanner if over 500 units	$0.00
1010	Price per CRT Television (TV)	$0.00
1010a	Price per TV if over 25 units	$0.00
1010b	Price per TV if over 100 units	$0.00
1010c	Price per TV if over 500 units	$0.00
1011	Price per lb. for all other non serialized peripherals or other electronic equipment as follows: cables, connectors, jacks, splitter & cluster boxes, buffers, converters, bar code readers, optical drives, tape drives, hard/floppy drives, repeater, transceiver, power backup, surge protectors, voltage regulators, modems, calculators, computer racks, projectors, vcrs, televisions and cameras.	$0.00/lb.

Option Period II - (5/1/06 through 4/30/07)

Item	Item Description	Item Price - TBD*

2001	Price per PC Desktop Workstation (includes peripherals mouse, keyboard, speakers)	$0.00
2001a	Price per PC if over 25 units	$0.00
2001b	Price per PC if over 100 units	$0.00
2001c	Price per PC if over 500 units	$0.00
2002	Price per PC Monitor	$0.00
2002a	Price per Monitor if over 25 units	$0.00
2002b	Price per Monitor if over 100 units	$0.00
2002c	Price per Monitor if over 500 units	$0.00
2003	Price per PC Laptop	$0.00
2003a	Price per Laptop if over 25 units	$0.00
2003b	Price per Laptop if over 100 units	$0.00
2003c	Price per Laptop if over 500 units	$0.00
2004	Price per Desktop Printer	$0.00
2004a	Price per Laptop if over 25 units	$0.00
2004b	Price per Laptop if over 100 units	$0.00
2004c	Price per Laptop if over 500 units	$0.00
2005	Price per Facsimile Machine	$0.00
2005a	Price per Facsimile if over 25 units	$0.00
2005b	Price per Facsimile if over 100 units	$0.00
2005c	Price per Facsimile if over 500 units	$0.00
2006	Price per Shredding Machine	$0.00
2006a	Price per Shredder if over 20 units	$0.00
2006b	Price per Shredder if over 50 units	$0.00
2006c	Price per Shredder if over 100 units	$0.00
2007	Price per Copying Machine	$0.00
2007a	Price per Copier if over 20 units	$0.00
2007b	Price per Copier if over 50 units	$0.00
2007c	Price per Copier if over 100 units	$0.00
2008	Price per Cellular/Standard Phone	$0.00
2008a	Price per Phone if over 50 units	$0.00
2008b	Price per Phone if over 100 units	$0.00
2008c	Price per Phone if over 500 units	$0.00
2009	Price per Scanning Machine	$0.00
2009a	Price per Scanner if over 50 units	$0.00
2009b	Price per Scanner if over 100 units	$0.00
2009c	Price per Scanner if over 500 units	$0.00
2010	Price per CRT Television (TV)	$0.00
2010a	Price per TV if over 25 units	$0.00
2010b	Price per TV if over 100 units	$0.00
2010c	Price per TV if over 500 units	$0.00
2011	Price per lb. for all other non serialized peripherals or other electronic equipment as follows: cables, connectors, jacks, splitter & cluster boxes, buffers, converters, bar code readers, optical drives, tape drives,	$0.00/lb.

hard/floppy drives, repeater, transceiver, power backup, surge protectors, voltage regulators, modems, calculators, computer racks, projectors, vcrs, televisions, and cameras.

Option Period III - (5/1/07 through 4/30/08)

Item	Item Description	Item Price - TBD*
3001	Price per PC Desktop Workstation (includes peripherals mouse, keyboard, speakers)	$0.00
3001a	Price per PC if over 25 units	$0.00
3001b	Price per PC if over 100 units	$0.00
3001c	Price per PC if over 500 units	$0.00
3002	Price per PC Monitor	$0.00
3002a	Price per Monitor if over 25 units	$0.00
3002b	Price per Monitor if over 100 units	$0.00
3002c	Price per Monitor if over 500 units	$0.00
3003	Price per PC Laptop	$0.00
3003a	Price per Laptop if over 25 units	$0.00
3003b	Price per Laptop if over 100 units	$0.00
3003c	Price per Laptop if over 500 units	$0.00
3004	Price per Desktop Printer	$0.00
3004a	Price per Laptop if over 25 units	$0.00
3004b	Price per Laptop if over 100 units	$0.00
3004c	Price per Laptop if over 500 units	$0.00
3005	Price per Facsimile Machine	$0.00
3005a	Price per Facsimile if over 25 units	$0.00
3005b	Price per Facsimile if over 100 units	$0.00
3005c	Price per Facsimile if over 500 units	$0.00
3006	Price per Shredding Machine	$0.00
3006a	Price per Shredder if over 20 units	$0.00
3006b	Price per Shredder if over 50 units	$0.00
3006c	Price per Shredder if over 100 units	$0.00
3007	Price per Copying Machine	$0.00
3007a	Price per Copier if over 20 units	$0.00
3007b	Price per Copier if over 50 units	$0.00
3007c	Price per Copier if over 100 units	$0.00
3008	Price per Cellular/Standard Phone	$0.00
3008a	Price per Phone if over 50 units	$0.00
3008b	Price per Phone if over 100 units	$0.00
3008c	Price per Phone if over 500 units	$0.00
3009	Price per Scanning Machine	$0.00
3009a	Price per Scanner if over 50 units	$0.00
3009b	Price per Scanner if over 100 units	$0.00
3009c	Price per Scanner if over 500 units	$0.00
3010	Price per CRT Television (TV)	$0.00

3010a	Price per TV if over 25 units	$0.00
3010b	Price per TV if over 100 units	$0.00
3010c	Price per TV if over 500 units	$0.00
3011	Price per lb. for all other non serialized peripherals or other electronic equipment as follows: cables, connectors, jacks, splitter & cluster boxes, buffers, converters, bar code readers, optical drives, tape drives, hard/floppy drives, repeater, transceiver, power backup, surge protectors, voltage regulators, modems, calculators, computer racks, projectors, vcrs, televisions and cameras.	$0.00/lb.

Option Period IV - (5/1/08 through 4/30/09)

Item	Item Description	Item Price - TBD*
4001	Price per PC Desktop Workstation (includes peripherals mouse, keyboard, speakers)	$0.00
4001a	Price per PC if over 25 units	$0.00
4001b	Price per PC if over 100 units	$0.00
4001c	Price per PC if over 500 units	$0.00
4002	Price per PC Monitor	$0.00
4002a	Price per Monitor if over 25 units	$0.00
4002b	Price per Monitor if over 100 units	$0.00
4002c	Price per Monitor if over 500 units	$0.00
4003	Price per PC Laptop	$0.00
4003a	Price per Laptop if over 25 units	$0.00
4003b	Price per Laptop if over 100 units	$0.00
4003c	Price per Laptop if over 500 units	$0.00
4004	Price per Desktop Printer	$0.00
4004a	Price per Laptop if over 25 units	$0.00
4004b	Price per Laptop if over 100 units	$0.00
4004c	Price per Laptop if over 500 units	$0.00
4005	Price per Facsimile Machine	$0.00
4005a	Price per Facsimile if over 25 units	$0.00
4005b	Price per Facsimile if over 100 units	$0.00
4005c	Price per Facsimile if over 500 units	$0.00
4006	Price per Shredding Machine	$0.00
4006a	Price per Shredder if over 20 units	$0.00
4006b	Price per Shredder if over 50 units	$0.00
4006c	Price per Shredder if over 100 units	$0.00
4007	Price per Copying Machine	$0.00
4007a	Price per Copier if over 20 units	$0.00
4007b	Price per Copier if over 50 units	$0.00
4007c	Price per Copier if over 100 units	$0.00
4008	Price per Cellular/Standard Phone	$0.00
4008a	Price per Phone if over 50 units	$0.00

4008b	Price per Phone if over 100 units	$0.00
4008c	Price per Phone if over 500 units	$0.00
4009	Price per Scanning Machine	$0.00
4009a	Price per Scanner if over 50 units	$0.00
4009b	Price per Scanner if over 100 units	$0.00
4009c	Price per Scanner if over 500 units	$0.00
4010	Price per CRT Television (TV)	$0.00
4010a	Price per TV if over 25 units	$0.00
4010b	Price per TV if over 100 units	$0.00
4010c	Price per TV if over 500 units	$0.00
4011	Price per lb. for all other non serialized peripherals or other electronic equipment as follows: cables, connectors, jacks, splitter & cluster boxes, buffers, converters, bar code readers, optical drives, tape drives, hard/floppy drives, repeater, transceiver, power backup, surge protectors, voltage regulators, modems, calculators, computer racks, projectors, vcrs, televisions and cameras.	$0.00/lb.

* **Itemized unit** pricing will be incorporated herein based on the prices included in proposals submitted in response to the solicitation.

The rate, or rates, set forth above cover all recycling expenses, including report preparation and report deliveries, salaries and wages, overhead, fringe benefits, general and administrative expenses, and profit. The logistical costs associated with picking up items, packaging, transporting items, using delivery or trucking services, and/or redistributing items will be priced out separately on each specific task order (TO) to be competed. Certain task orders may be for items located at one central location, while others may be for numerous warehouses throughout the continental U.S. Depending on the requirement, these logistical costs may fluctuate. Therefore, the pricing delineated herein cover all recycling costs and expenses, not logistical costs as described above. As mentioned, those costs will be addressed on a TO-by-TO basis.

The Contractor shall voucher for only the time of the personnel whose services are applied directly to the work called for in individual Task Orders and accepted by the Task Order Project Officer (TOPO). The Government shall pay the Contractor for the life of a task order at rates in effect when the task order was issued, even if performance under the task order crosses into another option period. The Contractor shall maintain time and labor distribution records for all employees who work under the contract. These records must document time worked and work performed by each individual on all task orders.

B.2 MINIMUM AND MAXIMUM AMOUNTS (EP 52.216-140) (APR 1984)

During the period specified in the "Ordering" clause, the Government shall place orders totaling a minimum of $2,500.00. The amount of all orders shall not exceed $9,000,000.00.

SECTION C - DESCRIPTION/SPECIFICATIONS/WORK STATEMENT

C.1 NOTICE Listing Contract Clauses Incorporated by Reference

NOTICE:

The following solicitation provisions and/or contract clauses pertinent to this section are hereby incorporated by reference:

FEDERAL ACQUISITION REGULATION (48 CFR CHAPTER 1)

NUMBER	DATE	TITLE
1552.211-79	OCT 2000	COMPLIANCE WITH EPA POLICIES FOR INFORMATION RESOURCES MANAGEMENT

C.2 NOTICE REGARDING PROHIBITED CONTRACTOR ACTIVITIES ON ENVIRONMENTAL PROTECTION AGENCY (EPA) CONTRACTS (EP 52.000-000) (NOV 1994) DEVIATION

The Contractor shall not perform any of the following activities on behalf of EPA in connection with this contract:

1. The actual preparation of Congressional testimony.

2. The interviewing or hiring of individuals for employment at EPA.

3. Developing and/or writing of Position Descriptions and Performance Standards.

4. The actual determination of Agency policy.

5. Participating as a voting member on a Performance Evaluation Board; participating in and/or attending Award Fee meetings.

6. Preparing Award Fee Letters, even under typing services contracts.

7. The actual preparation of Award Fee Plans.

8. The preparation of documents on EPA Letterhead other than routine administrative correspondence.

9. Reviewing vouchers and invoices for the purposes of determining whether costs, hours, and work performed are reasonable.

10. The preparation of Statements of Work, Work Assignments, Technical Direction Documents, Delivery Orders, or any other work issuance document under a contract that the contractor is performing or may perform. Such a work issuance document, prepared by an EPA prime contractor under an EPA prime contract for its subcontractor, is exempt from this prohibition.

11. The actual preparation of responses to audit reports from the Inspector

General, General Accounting Office, or other auditing entities.

12. Preparing responses to Congressional correspondence.

13. The actual preparation of responses to Freedom of Information Act requests, other than routine, non-judgmental correspondence.

14. Any contract which authorizes a contractor to represent itself as EPA to outside parties.

15. Conducting administrative hearings.

16. Reviewing findings concerning the eligibility of EPA employees for security clearances.

17. The actual preparation of an office's official budget request.

C.3 STATEMENT OF WORK/SPECIFICATIONS (EP 52.210-100) (APR 1984)

The Contractor shall furnish all necessary personnel, material, equipment, services and facilities (except as otherwise specified), to perform the Statement of Objectives as described herein.

I. Introduction

The Environmental Protection Agency's (EPA) vision for this requirement is to promote and advance the disposition, reclamation, reuse, and recycling of electronic assets held throughout the Federal sector in order to enhance public health and environmental protection. EPA's Office of Environmental Information (OEI) and Office of Prevention, Pesticides, and Toxic Substances (OPPTS) have initiated this Recycling Electronics and Asset Disposition (READ) services contract to provide the Government sector with a procurement tool to properly manage electronic inventories and to recycle and properly dispose of excess or obsolete electronic personal property in an environmentally responsible manner.

OEI's Office of Technology, Operations, and Planning (OTOP) is the Agency focal point for policy, management, and implementation of EPA's information technology (IT) infrastructure, and oversight of Federal and Agency IT statutes, regulations, and standards. OTOP sets hardware, software, and telecommunications standards and operates EPA's internal information technology infrastructure and organizes strategic planning for IT and security. OTOP provides this broad range of information and technology services through its four supporting organizations. These organizations are the IT Policy and Planning Division (ITPPD), the Technology Information Security Staff (TISS), the National Technology Services Division (NTSD), and the HQ and Desktop Services Division (HDSD).

HDSD, located in Washington, DC, is within OEI/OTOP and is responsible for providing a full range of local area network (LAN) services at different levels EPA-wide as well as desktop service throughout EPA. Under the READ contract, HDSD will serve as the technical liaison to EPA offices and other Federal agencies for IT and electronic equipment disposition, de-manufacturing, reclamation, and recycling services. In addition, EPA's Office

of Solid Waste (OSW) will provide technical support regarding environmental regulatory issues related to electronic reuse and recycling and OPPTS will provide support on electronic end-of-life (EOL) and disposition issues.

2. Background

This EPA contract will fulfill an Agency requirement for the recycling of electronic equipment, proper disposition of electronic assets, and documentation of assets' final destination as part of EPA's ongoing mission to protect the environment. EPA recognizes that there is a Government-wide need to address an expected avalanche of obsolete electronic equipment, primarily personal computer workstations, in the near future. According to a study by the National Safety Council, over 30 million personal computers become obsolete each year in the U.S. alone, with higher numbers likely to follow. In 2002 alone, approximately 130 million new personal computers were shipped worldwide. Numerous Federal Departments and Agencies have thousands of pieces of electronics equipment inventoried in warehouses awaiting disposition from GSA. Other electronic devices such as printers, copiers, scanners, Local Area Network servers and related peripherals, audio/visual equipment, facsimile machines, shredders, telephones, palm pilots and cellular/digital phones pose a similar threat to the environment as they become obsolete. All of this equipment contain components that may be recycled and/or reused, including: capacitors, circuit cards/boards, copper wiring, modules, switches, memory chips, batteries, and basic manufacturing materials such as glass, lead, metals, and plastics.

As advancements in software technology force more products into the waste stream, this equipment will pose significant environmental hazards if not properly disposed or recycled. The Federal Government must take the lead in addressing this national issue. Given EPA's mission to protect human health and the environment, EPA has the desire and the expertise to lead the Federal sector in this endeavor.

This READ contract goes beyond the simple process of a contractor picking up truckloads of obsolete equipment and charging a set fee based on the weight of that load. Due to security concerns associated with the potential compromise of confidential, proprietary and sensitive business information contained in most equipment (i.e. hard drives, memory chips in scanners and facsimile machines, etc.), as well as environmental concerns regarding the final destination of the potentially toxic substances contained in all electronic components, EPA has established this multiple-award, Government Wide Acquisition Contract (GWAC) to fulfill all aspects of electronic recycling and asset disposition.

III. Objectives

The objective of this READ GWAC is to offer clients a variety of methods for the proper disposal of electronic assets, including: refurbishment and redeployment within the requiring Agency; reconfiguration and re-marketing of electronic material for either donation to Federal programs, such as Computers for Learning in accordance with Executive Order 12999, or resale within other markets; reclamation of the assets by de-manufacturing; tracking and reporting on the final destination of major electronic items; and recycling electronic components that have been removed by the de-manufacture process. The most important aspect of the services to be provided is contractor assurance that

sensitive information stored in the electronics is properly sanitized and that an audit trail is created to track and report on the equipment's final destination.

The multiple contracts for READ services will provide EPA and other participating customer agencies with an opportunity to turn liabilities into assets, expenses into profits, and set the national standard for properly recycling and disposing of aging electronic equipment. EPA's READ GWAC will establish a process that will continually inventory excess equipment to determine which personal computer workstations and/or electronic items can be refurbished and used in other parts of the Agency, which items can be donated to other Agencies or qualified recipients (i.e., GSA's Federal Property Reuse Program or E.O. 12999), which items can generate revenues to offset recycling costs, and which electronic items need to be recycled through the de-manufacture and reclamation process. Equipment that has been in storage for extended periods of time is most likely not reusable.

Once established, the overall contract objective will be to offer and provide READ services to other Federal entities and environmental partners of the Federal Electronics Challenge (FEC) through standard GWAC procedures. An EPA GWAC will provide the Federal electronic community with an opportunity to fulfill the need for end-of-life (EOL) services.

IV. Scope

The contractor shall provide the following types of services during performance of this contract:

A. Refurbishment of electronic equipment provided by customer agencies and identification of markets to resell that equipment at market rates.

Share-in-Savings Methodology - As part of the asset disposition process, the contractor will be tasked with handling and disposing of large quantities of excess/surplus electronics. Any savings that the contractor can identify and realize during this process will be shared between the contractor and the Government. As a part of the de-manufacture, reclamation, and/or recycle process, contractors will be compensated by identifying methods to reduce the overall recycling and asset disposition cost. For this aspect of the contract, the contractor will be compensated by receiving a share in any savings generated by contract performance associated with asset disposition. For example, contractors may be able to refurbish certain electronic items and resell those items in secondary markets to generate revenue that could offset recycling costs. Customer agencies who utilize this GWAC will share in the savings identified and realized by recycling contractors.

This share-in-savings methodology is a new concept in the Federal Government and it encourages contractors to identify any means that may result in reduced costs associated with performance of the contract requirements. For READ services, contractors will be compensated for recognizing and realizing savings that can be used to offset the cost of recycling unusable, obsolete items. The percentage of potential savings identified by the contractor that will be used to offset the cost of recycling will be proposed

under each competed task order. This share-in-savings methodology will require the establishment of an efficient property surplus procedure early in the inventory process. A fundamental rule of electronics processing is that the longer excess equipment remains unused and stored, the less valuable it becomes.

B. Logistical assistance.

Logistics may include a variety of tasks associated with asset disposition services, to including the following: transportation requirements associated with picking up, packaging, and/or relocating the equipment; coordinating pick-up efforts at a variety of locations (e.g., some agencies may have one or two PC workstations at different locations throughout the country); delivering the equipment to a specialized recycling company, if necessary (e.g., monitors to a glass recycler, CPU covers to a plastics recycler, etc.); and/or delivering the excess equipment to a central location that will be redistributed at a later date.

Customer agencies who provide the equipment will be given the first opportunity to utilize refurbished items. Logistical assistance may be required for redeployment within an organization that has several locations. If items are not claimed for redeployment, or an employee buy-back program is not in effect, the contractor may be required to assist in donating refurbished equipment to educational institutions (per the requirements of Executive Order 12999), other allowable charities, or other Government Agencies in accordance with General Services Administration's (GSA) Federal Property Management Regulations (FPMR) excess property procedures.

C. Ensuring the security of proprietary and sensitive data.

Due to the sensitive information contained in almost all electronic memory components (e.g. memory chips in facsimiles and scanners), the contractor must follow a stringent data management process to ensure that sensitive data is not inadvertently compromised.

D. Testing, auditing, and tracking the equipment received.

Once equipment has been received, the contractor will perform testing and auditing services to determine the usefulness of the item, the items re-marketability, and to capture important tracking information from each major component.

E. Dismantling and recovery of electronic equipment that has been determined to be beyond an upgrade or refurbishment.

Reclamation of this type of equipment will involve a determination regarding which components can be recycled for possible use in other equipment, which components can be resold on the commercial

market, and which parts have no useful market value whatsoever and must be properly disposed or recycled.

F. Recycling of recovered materials and disposal of residual waste (that has no useful market value) in proper and safe methods.

The contractor shall, in accordance with applicable laws and regulations, obtain approval from the customer agency for the method of recycling and disposal. The contractor shall be responsible for the proper recycling and/or disposal of the identified equipment. The purpose of this contract is to recycle all items to the maximum extent possible with few, if any, exceptions for the contractor to landfill items or components.

G. All items that are recycled or disposed must have an audit trail on the equipment's final destination.

For electronic items handled, the contractor shall provide certification on the final disposition by the primary component serial number. For a desktop system, the primary components are typically considered the CPU, the monitor, and the printer. If a customer agency requires more detailed tracking information, such as the manufacturer brand name; manufacturer's barcode, model number, peripheral serial numbers (keyboard/spekers/mouse); the client's asset tracking number; and any internal configuration information such as processor speed, hard drive size, memory size, etc., then the customer agency will specify that level of detail in the request for proposal so that contractors can provide pricing commensurate with the required level of reporting.

A primary deliverable under this contract will be a disposition certificate for the electronic equipment that a customer agency provides. A disposition certificate will be submitted within a set time frame of equipment pick-up/delivery (e.g., 60 calendar days) which indicates receipt dates, processing and method of recycling, residual waste disposal, and other itemized elements to be determined. This will allow a generating party to maintain appropriate records which demonstrate compliance with Federal and State laws such as the Resource Conservation and Recovery Act (RCRA).

For all of these possible scenarios, the contractor will also perform complete inventory reconciliation for reporting purposes and will provide a real-time, on-line audit trail of the electronic components handled. The contractor may be required to establish a hotline-type service for certain customer agencies, and may be required to offer a web-based ordering capability for those customers that have large, fluctuating inventories of surplus equipment. As described in Section IV.G above, the contractor will provide documentation for the Agency's records regarding the final disposition and destination of all electronic equipment items.

After task orders are competed and efforts commence, contractors will be

provided between 30 to 60 calendar days to begin recycling and asset disposition efforts. This time frame will grant contractors an opportunity to organize cost-efficient coordination of multiple site pick-ups and determine the feasability of refurbishment and resale for potential revenue generation.

V. Acquisition Approach

The goal of this acquisition is to improve the disposition process of electronic equipment throughout the Federal sector, decreasing the amount of equipment inventoried, increasing the amount of electronic components that are recycled and resold, while reducing the amount of electronic waste sent to landfills. Through performance based contracting, EPA envisions a process whereby contractors propose strategic methods and innovative solutions to resolve the electronics disposal problems facing each requiring activity.

The contractor shall be responsible for addressing the requiring Agency's desired results and outcomes and, in turn, determining the most effective means by which an Agency's performance objectives will be fulfilled. Performance-based efforts represent a challenge to the contractor by requiring development and application of innovative and efficient approaches for achieving results and meeting or exceeding performance expectations and standards. Typical standards that will be measured include cost control, timeliness and completeness of deliverables, problem resolution, business relations, quality of work performed, and whether or not the deliverable assists the Agency in meeting its recycling goals as identified in the task order. Under the resulting GWAC, a Federal entity will provide READ contractors with a detailed description of their electronic assets. Each notified contractor will propose an appropriate method and solution for addressing the potential resale, reclamation, re-manufacture, and/or recycling process to be used for the identified electronic property.

Contractor selection for each competed task order will be made on a best-value basis, all factors considered. This multiple award contract will have three groups of contractors who can provide READ services:

> Group A includes contractors who either possess the capabilities or have a network in place to provide nationwide coverage for customer agencies that have offices located within and throughout the continental U.S.;
> Group B includes contractors who possess the capabilities to fulfill recycling requirements only for locations in the Eastern U.S. (i.e., east of the Mississippi river*); and
> Group C includes contractors who possess capabilities to fulfill recycling requirements only for locations in the Western U.S. (i.e., west of the Mississippi river**).

The determination regarding which READ contracting Group will compete for which requirement will be made on a case-by-case basis at the task order level.

This Statement of Objectives does not provide specific details on the types of solutions to be offered, the comprehensiveness of any specific

solutions, nor any specific performance levels/metrics that must be associated with any specific area. However, the Government will require READ contractors to offer comprehensive solutions that:

(1) are based on an understanding of the current electronics recycling requirements and associated Federal laws and regulations that govern electronics recycling;
(2) provide the scope of services that are responsive to the present and future needs of the READ contract user community and its stakeholders;
(3) ensure that performance levels are set and achieved in all functional areas to ensure satisfactory levels of service;
(4) allow EPA to offer a wide variety of competitively priced services to potential customers of this contract; and
(5) ensure an appropriate level of security based on industry best practices for handling and disposing of sensitive information contained in most electronics equipment, including an audit trail that tracks each components final destination.

In order to meet our objectives under this contract, EPA requires these services to be provided and available for multiple locations. We envision that this service will be required at all of EPA's Regional Offices and Laboratories. Other Federal entities that utilize this contract will also have a need to fulfill their asset disposition requirements at multiple sites.

Since the pace of change in the information technology and telecommunications marketplace makes it impossible to fully anticipate how individual EPA requirements will evolve over the life of this contract, the Contractor will be expected to incorporate innovative and emerging technologies that improve performance in the most economic and efficient manner.

The following are general and specific functional tasks that are considered part of this requirement:

General Functional Tasks

3. Management
4. Workload Reporting
5. Security

Technical Functional Tasks

6. Pick-up, Packaging, Transportation, and Delivery
7. Recycling of Recovered Materials
8. Screening, Testing, Segregation
9. Reclamation, Refurbishment, Redeployment
10. Dismantling, De-manufacturing
11. Disposal of Residual Waste
12. Disposition Reporting
13. Audit Tracking
14. Technical Consulting

VI. Compliance Requirements

In order for contractors to perform these requirements in an environmentally responsible manner, the following compliance areas must be addressed when handling any electronic materials to be recycled.

I. Compliance with Laws

The contractor shall comply with all Federal, state, and local laws and regulations relating to the duties, obligations, and performance requirements under this contract, including all Environmental laws such as the Clean Air Act (CAA), Clean Water Act (CWA), Comprehensive Environmental Response, Compensation and Liability Act (CERCLA or Superfund), and the Resource Conservation and Recovery Act (RCRA) as well as Occupational Safety and Health Administration (OSHA) laws and regulations. The contractor shall be responsible for procuring all licenses, paying all fees, and fulfilling all legal obligations associated with performance of this requirement.

15. Hazardous Material, Hazardous Substance, and Hazardous Waste Requirements

Any material which is capable of posing an unreasonable risk to health, safety, and property during transportation must be handled in accordance with appropriate rules and regulations. All materials that are considered hazardous appear in the Hazardous Material Table (HMT) found at 49 CFR 172.101. In addition, any item identified by OSHA, the Toxic Substances Control Act (TSCA), or by any other Federal, State, or local agency or regulation as a hazardous material must be handled accordingly.

Any hazardous materials that require a report to the National Response Center when spilled is also considered a Hazardous Substance (HS). A list of reportable quantities of HS can be found at 40 CFR 302.4 and 49 CRR 172.101, Appendix A. For identification purposes during transportation, a HS is further defined as a material, including mixtures and solutions, that is included in the Appendix of the HMT, found at 49 CFR, 172.101, which meets or exceeds the reportable per container quantity listed in the HMT appendix.

With regard to hazardous waste (HW), before any items can be classified as HW, it must first be considered a solid waste. A solid waste is defined at 40 CFR Part 261.2 as any discarded material in any physical state (solid, liquid, gas or a combination thereof). An item is defined as HW if one of the following conditions are met: (1) any solid waste that is regulated under RCRA or state regulation, (2) an EPA waste code (40 CFR Subpart C and D) can be assigned, and (3) the item is included on one of the four lists found at 40 CFR 261, Subpart D.

Obsolete electronics intended for reuse are not considered to be solid or hazardous wastes under the Resource Conservation and Recovery Act (RCRA). Obsolete electronics that are intended for recycling or disposal may be considered solid or hazardous wastes, depending upon applicability of EPA or state rules. In order to encourage e-waste recycling, as opposed to its landfilling or incineration, both EPA and the states have streamlined requirements (in the form of exemptions, exclusions and reduced requirements)

to facilitate the collection and recycling of some types of e-waste. It is incumbent upon the entity handling the e-waste to be knowledgeable of any applicable EPA or state controls for hazardous wastes, as well as non-hazardous wastes, and to comply with all such requirements.

16. Security Compliance

When Government property is on the contractor's facility, the contractor shall provide adequate security to prevent theft or loss of the electronic property. The contractor must have the ability to document custody and control of the items provided for de-manufacture and must ensure item accountability until the items provided are either de-manufactured and sold or otherwise disposed of properly. Immediately upon discovery of theft, the contractor shall notify the Contracting Officer and Project Officer.

Performance under this contact neither requires nor authorizes the contractor to handle classified property or documents. Should contractor employees come into actual or suspected possession of classified property or documents, the contractor shall immediately secure such documents or property from both physical loss and compromise. Classified information is considered any documentation that requires specific authorization prior to having access to that information. The definition of classified property or documentation will be dependant upon the agency utilizing this contract. The level of compliance associated with classified information and the methods to be used for handling this information will be specifically addressed in the individual task orders to be issued. The contractor shall immediately notify the Contracting Officer and Project Officer regarding which activity provided the classified material.

Any additional requirements will be specifically identified under individual task orders to be issued under the resulting contracts.

* Group B States include: Alabama, Connecticut, Delaware, DC, Florida, Georgia, Illinois, Indiana, Kentucky, Maine, Maryland, Massachusetts, Michigan, Mississippi, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Tennessee, Vermont, Virginia, West Virginia, and Wisconsin.

* Group C States include: Alaska, Arizona, Arkansas, California, Colorado, Idaho, Iowa, Kansas, Louisiana, Minnesota, Missouri, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Texas, Utah, Washington, Wyoming.

C.4 ACQUISITION AND USE OF ENVIRONMENTALLY PREFERABLE PRODUCTS AND SERVICES (EP-S 97-1) (MAY 1999)

(a) Executive Order 13101 of September 14, 1998, entitled "Greening the Government through Waste Prevention, Recycling, and Federal Acquisition" and Section 6002 of the Resource Conservation and Recovery Act (RCRA) of 1976, as amended (42 U.S.C. 6962, Pub L. 94-580, 90 Stat. 2822) require Federal agencies to procure designated items with the highest recovered materials content practicable.

(b) In the performance of this contract, the Contractor shall comply with the requirements of the following issuances:

(1) Title 40 of the Code of Federal Regulations, Part 247, Comprehensive Guideline for Procurement of Products Containing Recovered Materials (CPG), which designates items that are or can be made with recovered materials, and its companion pieces, the Recovered Materials Advisory Notices (RMANs). The CPG and RMANs provide recommended procurement practices, including recommended recovered material content levels, for purchasing products designated in the CPG. The Contractor shall comply with these recommendations, and such other CPG revisions and RMANs as the Environmental Protection Agency (EPA) may issue with respect to the procurement of products that contain recovered materials. (Copies of the CPG or RMANs, as well as information on manufacturers and vendors of designated items may be obtained by calling EPA's RCRA Hotline at (800) 424-9346, or, in the Washington, D.C., metropolitan area, at (703) 412-9810.)

(2) In complying with the requirements of paragraph (b), the Contractor shall coordinate its concerns and program guidance with EPA's Recycling Coordinator.

(c) The Contractor shall prepare and submit reports on the purchase of products containing recovered materials from time to time in accordance with written direction (e.g., in specified format) from the EPA Recycling Coordinator through the Contracting Officer. Reports shall be submitted to the EPA Recycling Coordinator, with a copy to the Contracting Officer, Mail Code 3204, Washington, D.C. 20460.

SECTION D - PACKAGING AND MARKING

[For this Solicitation, there are NO clauses in this Section]

SECTION E - INSPECTION AND ACCEPTANCE

E.1 INSPECTION AND ACCEPTANCE (EP 52.246-100) (APR 1984)

(a) The Contracting Officer or the duly authorized representative will perform inspection and acceptance of materials and services to be provided.

(b) For the purposes of this clause, the Project Officer is the authorized representative of the Contracting Officer.

(c) Inspection and acceptance will be performed at:

Locations to be included in each Task Order.

SECTION F - DELIVERIES OR PERFORMANCE

F.1 NOTICE Listing Contract Clauses Incorporated by Reference

NOTICE:

The following solicitation provisions and/or contract clauses pertinent to this section are hereby incorporated by reference:

FEDERAL ACQUISITION REGULATION (48 CFR CHAPTER 1)

NUMBER	DATE	TITLE
52.242-15	AUG 1989	STOP WORK ORDER

F.2 PERIOD OF PERFORMANCE (EP 52.212-140) (APR 1984)

The period of performance of this contract shall be from the contract award date through April 30, 2005, exclusive of all required reports.

F.3 DELIVERY SCHEDULE (EP 52.212-160) (APR 1984)

The following items shall be delivered under this contract:

Item	Title	Qty	Date Due
0001	Recycled Components Final Destination Report, which will include cumulative volume of units received, cumulative volumes of units refurbished, units resold and redeployed, materials recovered, unrecoverable waste disposed of with method of disposal, and final destination of units summary.	2	Semi-Annual
0002	Customer Agency specific reports	2	TBD

SECTION G - CONTRACT ADMINISTRATION DATA

G.1 ORDERING--BY DESIGNATED ORDERING OFFICERS (EPAAR 1552.216-72) (APR 1984)

(a) The Government will order any supplies and services to be furnished under this contract by issuing delivery orders on Optional Form 347, or an agency prescribed form, from the effective date of the contract through the expiration date of the contract. In addition to the Contracting Officer, the following individuals are authorized ordering officers:

TBD

(b) A Standard Form 30 will be the method of amending delivery orders.

(c) The Contractor shall acknowledge receipt of each order and shall prepare and forward to the Ordering Officer within ten (10) calendar days the proposed staffing plan for accomplishing the assigned task within the period specified.

(d) If the Contractor considers the estimated labor hours or specified work completion date to be unreasonable, he/she shall promptly notify the Ordering Officer and Contracting Officer in writing within 10 calendar days, stating why the estimated labor hours or specified completion date is considered unreasonable.

(e) Each delivery order will have a ceiling price, which the Contractor may not exceed. When the Contractor has reason to believe that the labor payment and support costs for the order, which will accrue in the next thirty (30) days, will bring total cost to over 85 percent of the ceiling price specified in the order, the Contractor shall notify the Ordering Officer.

(f) Paragraphs (c), (d), and (e) of this clause apply only when services are being ordered.

G.2 CONTRACT ADMINISTRATION REPRESENTATIVES (EP 52.242-100) (AUG 1984)

Project Officer(s) for this contract:

Project Officer:

TO BE IDENTIFIED AT TIME OF CONTRACT AWARD

Contract Specialist(s) responsible for administering this contract:

Administrative Contracting Officer:

Oliver Voss
U.S. EPA

1300 Pennsylvania Avenue, NW
Mail Code 3803R
Washington, DC 20460
(202) 564-4514
(202) 565-2554

G.3 Task Order Fair Opportunity Procedures

(a) Task Order Issuance

One or more Task Orders (TO) may be issued during the performance of this contract. In accordance with the Federal Acquisition Streamlining Act and FAR 16.505(b), the Contracting Officer will give each awardee a "fair opportunity" to be considered for each order in excess of $2,500 unless one of the conditions in paragraph (b)(2) below applies. Procedures and selection factors to be considered for each TO in order to provide "fair opportunity" are set forth in (b)(1) below.

(b) Fair Opportunity Procedures for Competed Task Order

(1) Fair Opportunity Process - For each task order requirement, the EPA intends to provide multiple contract awardees a fair opportunity for consideration. This fair opportunity will be provided through the Government's examination of existing information already in the Government's possession, such as awardee's original proposal (e.g., recycling rates, technical/management approaches, etc.), geographic location of the requiring activity and which geographic area the contractor supports (i.e, nationwide coverage, eastern U.S., or western U.S.), current past performance reports (including the Contractor's original proposal data if it is the most current data in the Government's possession) and other pertinent data related to the task order requirement. As work proceeds under this contract, EPA will rely upon recent performance reports received on task orders performed under this contract rather than on past performance records submitted with the original proposal to the maximum extent possible.

(2) Exceptions to Fair Opportunity Consideration - Awardees need not be given a fair opportunity to be considered for requirements in excess of $2,500 when the Contracting Officer determines one of the following conditions apply:

(i) the agency need for such services is of such urgency that providing such opportunity would result in unacceptable delays;

(ii) only one such awardee is capable of providing such services required at the level of quality required because the services ordered are unique or highly specialized;

(iii) the order should be issued on a sole-source basis in the interest of economy and efficiency as a logical follow-on to a task order already issued under this contract, provided that multiple awardees were given a fair opportunity to be considered for the original order;

(iv) it is necessary to place an order with one particular awardee to satisfy a minimum guarantee; or

(v) it is known that a contractor has an unacceptable conflict of interest.

(c) Proposal Process for Selected Multiple Awardees.

(1) Request For Proposal - All competed task orders will contain a performance work statement (PWS) with clearly stated objectives, measurable performance standards, and a quality assurance surveillance plan to monitor actual contractor performance. Performance standards to be measured may include: customer satisfaction with services provided; timeliness and accuracy of reporting and tracking information; timeliness of coordination efforts and disposition services; the contractor's ability to meet revenue expectations delineated in their task order proposal; and the contractor's record on ensuring that equipment containing sensitive information is not compromised. Awardees may propose additional incentives as appropriate.

By utilizing performance based acquisition procedures, contractors will be provided an opportunity to create innovative methodologies for meeting objectives established under each task order. For each fair-opportunity task order competition, the READ contractor will be free to identify and propose the best possible solution for the identified requirements.

For each requirement, the CO will issue a TO proposal request to those contract awardees selected for TO proposal submission. The TO proposal request will include a due date for proposal submission, a PWS which includes a general description of work to be accomplished, a listing of the deliverables/reporting required, and additional data as appropriate. The TO proposal request will also include specific instructions for the submission of proposals, the source selection criteria, the evaluation factors' order of importance, and other appropriate information.

(2) Proposal Submittal - Awardees will generally be allowed between seven (7) and fourteen (14) calendar days to prepare and submit proposals. However, more or less time may be necessary based on the actual requirements. The due date shall be set forth in each TO proposal request. The only acceptable reasons for a contractor's non-participation in the order issuance process would be due to an inability to accept or perform the work because of a conflict of interest, capacity problem, or some other compelling factor which the CO determines would affect the contractor's ability to perform the work and, as a result, justifies nonparticipation in the order issuance process. The CO will include written documentation in the TO file citing the reasons which justify a contractor's nonparticipation in the TO issuance process for a specific order.

(3) Bid and Proposal (B&P) Costs. B&P costs associated with preparing a TO proposal will not be reimbursed as a direct cost to this contract.

(4) Technical Proposals. The TO proposal request will provide basic information associated with the TO requirement. The contractor will be

required to propose innovative methodologies for fulfilling the identified objectives. The technical proposal shall address, at a minimum:

Technical/Management Approach
Key Personnel
Performance Incentives/Disincentives
Risks and Assumptions
Conflict of Interest Issues
Teaming Arrangement/Subcontracting

The technical proposal information should be brief. The Government anticipates proposals consisting of 7-15 pages identifying the proposed approach for meeting the TO's PWS objectives. Proposals shall not merely restate TO PWS requirements.

(5) Price Proposals. A written price proposal will always be required. This area of the proposal shall include detailed cost/price amounts of all resources required to accomplish the performance objectives, (i.e. man-hours, equipment, travel, transportation, etc.). It is anticipated that the majority of task orders will be issued on a fixed price basis. The price proposal will include adequate information justifying the overall proposed fixed price and assumptions related to the proposed price. As a minimum, the following data will be provided:

(i) Identify labor categories in accordance with Section B - Schedule and the number of hours required for performance of the task. The offeror must provide complete price/cost proposals which include fixed hourly rates for each labor category, the identification of clerical labor, and ODC cost elements and identify any GFP and/or GFI required (if any) for task performance.

(ii) Other Relevant Information. This information shall always be in writing and shall address other relevant information as required by the contract or requested by the TO proposal request.

(6) Source Selection - The proposals will be evaluated in accordance with the source selection criteria set forth in the TO proposal request. If necessary, during the evaluation of proposals the Government may contact an awardee with clarifications concerning their proposal. However, such contact does not constitute negotiations as defined by FAR 15.306(d). Upon completion of evaluations, the CO will issue a Task Order to the awardee whose proposal is considered most advantageous to the Government, all factors considered.

(7) Selection Notification - The Contracting Officer need not contact each of the multiple awardees before selecting a task order awardee, if the Contracting Officer has information available to ensure that each awardee is provided a fair opportunity to be considered for each order.

(d) Selection Criteria for Awarding Task Orders.

Once the Government determines which awardees will be asked to submit a proposal for the TO requirement and proposals are received, the Government will evaluate the proposals against the source selection criteria. In most cases, the Government's award decision will be based on evaluation criteria

which addresses the proposed technical/management approach, past performance, key personnel, and price. Task order selection criteria may also include other factor(s) relevant to the particular task order. The order of importance for the factors as well as the specific selection method for each order will be identified on each individual requirement.

The method of selection for issuance of a task order will be tailored to the specific requirements of each task order. The methods of selection may be any one of the following:

(i) Issuance of the order to the contractor with the highest composite score. In this case, the technical and cost components are both scored. The request for proposal will identify the formula used to arrive at the composite score, e.g., the technical component is worth 60%, the price component 20%, key personnel 10%, and past performance 10%.

(ii) Issuance of the order to the contractor offering the greatest value to the Government (technical quality more important than price). In this situation, task order issuance is based primarily on technical quality and/or innovative methodologies, with price as a secondary consideration.

(iii) Issuance of the order to the contractor with the lowest evaluated price, technically acceptable offer. Generally, the technical component of these offers are scored as acceptable or unacceptable rather than given point scores, and order issuance is made to the technically acceptable offer with the lowest evaluated price.

If offers are not point or adjectivally scored, evaluation criteria will be rated as acceptable or unacceptable in meeting the requirements of the TO PWS. Issuance of an order may be made based on evaluation of initial offers without discussions, or on evaluation of offers and discussions.

(e) Unauthorized Work. The Contractor is not authorized to commence task performance prior to issuance of a signed TO or verbal approval provided by the CO to begin work.

(f) Task Funding Restriction. No unfunded task orders are allowed, unless issued subject to the availability of funds, as prescribed in Section I.

(g) Task Order Issuance. A task order may be issued by mail or facsimile.

(h) Ombudsman Description. In accordance with FAR 16.505(a)(7), no protest under FAR Subpart 33.1 is authorized in connection with CO decisions regarding the issuance or proposed issuance of a task order under this contract, except for a protest on the grounds that the order increases the scope, the period of performance, or the maximum value of the contract. The Division Director, EPA, Headquarters Procurement Operations Division, has been designated as the EPA Ombudsman. The EPA Ombudsman will review complaints from the contractors regarding the competition process associated with issuance of task orders, and ensure that contractors are afforded a fair opportunity to be considered, consistent with the procedures in the contract. Complaints to the EPA Ombudsman must be forwarded to: Environmental Protection Agency, Director,

Headquarters Procurement Operations Division (3803R), 1200 Pennsylvania Ave., NW, Washington, DC 20460.

G.4 SUBCONTRACT CONSENT (EP 52.244-100) (APR 1984)

The Contractor shall submit the information required by the "Subcontracts," clause to the Contracting Officer and assigned Project Officer. The Contracting Officer will provide written notice to the Contractor of his decision.

Consent is given to issue the following subcontracts:

To be completed at contract award

G.5 Task Order Performance Record

(a) Each contractor's past performance record is considered relevant information for future Task Order's source selection purposes, especially the performance regarding a contractor's actions under previously awarded Task Orders. Past performance includes, for example, the contractor's record of conforming to contract requirements and to standards of good workmanship; the contractor's adherence to contract schedules, including the administrative aspects of performance; the contractor's history of reasonable and cooperative behavior and commitment to customer satisfaction; and generally, the contractor's business-like concern for the interest of the customer.

(b) The Task Manager will complete a TO evaluation each quarter (1 Oct, 1 Jan, 1 Apr and 1 Jul) and at the completion of the Task Order to evaluate the contractor's performance for that specific requirement. Completed evaluations are to be forwarded to the PO for review, who in turn forwards a copy to the CO and to the contractor for comment. The contractor will be given 30 calendar days to submit comments, rebutting statements, or additional information. Comments, if any, shall be retained as part of the evaluation record. These evaluations may be used to support future Task Order awards, and will therefore be marked "Source Selection Information." The completed evaluation shall not be released to other than Government personnel. The past performance information shall not be retained for longer than three years after completion of the contract or task order performance, whichever is later.

SECTION H - SPECIAL CONTRACT REQUIREMENTS

H.1 NOTICE Listing Contract Clauses Incorporated by Reference

NOTICE:

The following solicitation provisions and/or contract clauses pertinent to this section are hereby incorporated by reference:

FEDERAL ACQUISITION REGULATION (48 CFR CHAPTER 1)

NUMBER	DATE	TITLE
1552.203-71	AUG 2000	DISPLAY OF EPA OFFICE OF INSPECTOR GENERAL HOTLINE POSTER
1552.208-70	OCT 2000	PRINTING
1552.209-71	MAY 1994	ORGANIZATIONAL CONFLICTS OF INTEREST ALTERNATE I (MAY 1994)
1552.209-76	OCT 2002	CONTRACTOR PERFORMANCE EVALUATIONS
1552.235-70	APR 1984	SCREENING BUSINESS INFORMATION FOR CLAIMS OF CONFIDENTIALITY
1552.235-76	APR 1996	TREATMENT OF CONFIDENTIAL BUSINESS INFORMATION (TSCA)
1552.235-77	DEC 1997	DATA SECURITY FOR FEDERAL INSECTICIDE, FUNGICIDE, AND RODENTICIDE ACT CONFIDENTIAL BUSINESS INFORMATION
1552.235-78	DEC 1997	DATA SECURITY FOR TOXIC SUBSTANCES CONTROL ACT CONFIDENTIAL BUSINESS INFORMATION
1552.235-79	APR 1996	RELEASE OF CONTRACTOR CONFIDENTIAL BUSINESS INFORMATION
1552.237-75	APR 1984	PAPERWORK REDUCTION ACT

H.2 OPTION TO EXTEND THE EFFECTIVE PERIOD OF THE CONTRACT-- INDEFINITE DELIVERY/INDEFINITE QUANTITY CONTRACT (EPAAR 1552.217-76) (APR 1984) DEVIATION

(a) The Government has the option to extend the effective period of this contract for 4 additional period(s). If more than sixty (60)days remain in the contract effective period, the Government, without prior written notification, may exercise this option by issuing a contract modification. To unilaterally exercise this option within the last 60 days of the effective period, the Government must issue written notification of its intent to exercise the option prior to that last 60-day period. This preliminary notification does not commit the Government to exercising the option.

(b) If the options are exercised, the "Minimum and Maximum Contract Amount" clause will not be modified to reflect new and separate maximum amounts. The "Minimum and Maximum Contract Amount" identified in Section B will be for the entire contract period, inclusive of all options exercised.

(c) The "Effective Period of the Contract" clause will be modified as follows:

Period	Start Date	End Date
Option Period I	05/01/05	4/30/06
Option Period II	05/01/06	4/30/07
Option Period III	05/01/07	4/30/08
Option Period IV	05/01/08	4/30/09

H.3 UTILIZATION OF RURAL AREA SMALL BUSINESS CONCERNS (EP 52.219-110) (APR 1990)

(a) (1) "Rural area small business concern," as used in this clause, means a small business concern that is located and conducts its principal operations in a rural geographic area (county or parish) listed in the Small Business Administration's Listing of Non-Metropolitan Rural Counties by State.

(2) "Small business concern," as used in this clause, means a concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding on government contracts, and qualified as a small business under the criteria and size standard in 13 CFR 121.

(b) It is the policy of the Environmental Protection Agency (EPA) that rural area small business concerns shall have the maximum practicable opportunity to participate in performing contracts awarded by EPA.

(c) The contractor shall use its best efforts to give rural area small business concerns the opportunity to participate in the subcontracts it awards to the fullest extent consistent with efficient performance of this contract.

(d) The contractor shall incorporate the substance of this clause in any subcontract that may provide for additional subcontracting opportunities.

H.4 UTILIZATION OF HISTORICALLY BLACK COLLEGES AND UNIVERSITIES (EP 52.219-115) (JUL 1991)

(a) It is the Policy of the Environmental Protection Agency that historically black colleges and universities shall have the maximum practicable opportunity to participate in performing contracts awarded by the Agency.

(b) The Contractor shall use its best efforts to give historically black colleges and universities the opportunity to participate in any subcontracts awarded to the fullest extent consistent with efficient performance of this contract.

(c) The contractor shall incorporate the substance of this clause in any subcontract which may provide for additional subcontracting opportunities.

H.5 TREATMENT OF CONFIDENTIAL BUSINESS INFORMATION (EPAAR 1552.235-71) (APR 1984) DEVIATION

(a) The Contracting Officer, after a written determination by the appropriate program office, may disclose confidential business information (CBI) to the Contractor necessary to carry out the work required under this contract. The Contractor agrees to use the CBI only under the following conditions:

(1) The Contractor and Contractor's employees shall: (i) use the CBI only for the purposes of carrying out the work required by the contract; (ii) not disclose the information to anyone other than properly cleared EPA employees without the prior written approval of the Assistant General Counsel for Contracts and Information Law; and (iii) return to the Contracting Officer all copies of the information, and any abstracts or excerpts therefrom, upon request by the Contracting Officer, whenever the information is no longer required by the Contractor for the performance of the work required by the contract, or upon completion of the contract.

(2) The Contractor shall obtain a written agreement to honor the above limitations from each of the Contractor's employees who will have access to the information before the employee is allowed access.

(3) The Contractor agrees that these contract conditions concerning the use and disclosure of CBI are included for the benefit of, and shall be enforceable by, both EPA and any affected businesses having a proprietary interest in the information.

(4) The Contractor shall not use any CBI supplied by EPA or obtained during performance hereunder to compete with any business to which the CBI relates.

(b) The Contractor agrees to obtain the written consent of the CO, after a written determination by the appropriate program office, prior to entering into any subcontract that will involve the disclosure of CBI by the Contractor to the subcontractor. The Contractor agrees to include this clause, including this paragraph (b), in all subcontracts awarded pursuant to this contract that require the furnishing of CBI to the subcontractor.

H.6 KEY PERSONNEL (EPAAR 1552.237-72) (APR 1984)

(a) The Contractor shall assign to this contract the following key personnel:

Program Director:

(b) During the first ninety (90) calendar days of performance, the Contractor shall make no substitutions of key personnel unless the substitution is necessitated by illness, death, or termination of employment. The Contractor shall notify the Contracting Officer within 15 calendar days after the occurrence of any of these events and provide the information required by paragraph (c) below. After the initial ninety (90) calendar day period, the Contractor shall submit the information required by paragraph (c)

to the Contracting Officer at least 15 calendar days prior to making any permanent substitutions.

(c) The Contractor shall provide a detailed explanation of the circumstances necessitating the proposed substitutions, complete resumes for the proposed substitutes, and any additional information requested by the Contracting Officer. Proposed substitutes should have comparable qualifications to those of the persons being replaced. The Contracting Officer will notify the Contractor within 15 calendar days after receipt of all required information of the decision on substitutions. This clause will be modified to reflect any approved changes of key personnel.

H.7 EPA Electronic Recycling and Asset Disposition Certification

In order to promote high standards of environmental quality and regulatory compliance as well as high quality business practices in the electronics recycling industry, contractors who provide READ services under this contract will be required to meet the following minimum certification requirements for recycling and asset disposition services. EPA plans to maintain a formal process throughout the contract period of performance to certify that an electronics recycling company is using high quality business practices, reliable monitoring and reporting procedures, and dependable management information systems during performance of this contract. Due to liability and information security concerns, EPA must ensure that contractors who will provide this service are not merely transporting electronic items to inappropriate locations.

EPA will use a variety of factors in determining whether or not a recycling company is capable of providing reliable recycling and asset disposition services. The following elements will be addressed during the certification process.

1. General Business Procedures: The contractor shall use sound business practices and company management shall be guided by a prudent business plan. The contractor shall have adequate financial resources to meet customer commitments and shall posses adequate insurance coverage for potential risks and liabilities associated with recycling operations. The contractor shall have an established plan for ensuring the security of the equipment, material assets, and information contained in the electronic items that will be handled under this contract.

2. Management Systems: The contractor must have an established business management system that addresses environmental, quality, and health and safety issues related to recycling and asset disposition. Policies and procedures shall address both the achievement and improvement of high standards of business practices associated with the overall recycling process. Policies and procedures shall identify: local and Federal legal regulations and compliance requirements; reporting documentation and operational controls; emergency preparedness and response procedures; monitoring and measurement systems; internal management system effectiveness audits used to review and improve upon processes; and communication and training plans.

3. Operational Capabilities: The contractor shall possess or have access to operational facilities that support recycling and asset disposition procedures, including materials handling, processing, storage, and transportation. The contractor shall have management processes that support operations such as tracking and reconciliation of customer products and materials. The contractor shall demonstrate that a high percentage of products received and processed is recycled, and not merely landfilled, and shall demonstrate a commitment to continuously improve in this area. The staff of the company involved in critical operations shall have adequate technical knowledge, skills and experience to perform their assigned tasks. The equipment and facilities of the operation shall be adequate to support the key elements of the recycling operation.

Once EPA has completed the certification process and verified that a company has demonstrated the capabilities necessary to meet the requirements of this contract, EPA will provide a written certificate to the audited company. Certificates will be valid for a 12 month period, at which time the company must request renewal from the EPA. At any time during contract performance, EPA may revisit the company to verify whether or not the company continues to meet the minimum certification requirements. If EPA determines that a company has discontinued the practice of legitimate recycling and asset disposition (e.g., the contractor has begun transporting electronic components to shipping docks or has brokered items such as computer monitors to the highest bidder), then EPA reserves the right to withdraw the certification that it previously authorized.

During the EPA certification process, contractor may present information and results related to other certifications received from other entities. EPA will take this information into consideration during the certification process for this contract.

H.8 ACCESS TO TOXIC SUBSTANCES CONTROL ACT CONFIDENTIAL BUSINESS INFORMATION (EPAAR 1552.235-75)(APR 1996) DEVIATION

In order to perform duties under the contract, the Contractor will need to be authorized for access to Toxic Substances Control Act (TSCA) confidential business information (CBI). The Contractor and all of its employees handling CBI while working under the contract will be required to follow the procedures contained in the security manual entitled "TSCA Confidential Business Information Security Manual." These procedures include applying for TSCA CBI access authorization for each individual working under the contract who will have access to TSCA CBI, execution of confidentiality agreements, and designation by the Contractor of an individual to serve as a Document Control Officer. The Contractor will be required to abide by those clauses contained in EPAAR 1552.235-70, 1552.235-71, and 1552.235-78 that are appropriate to the activities set forth in the contract.

Until EPA has inspected and approved the Contractor's facilities, the Contractor may not be authorized for TSCA CBI access away from EPA facilities.

PART II - CONTRACT CLAUSES

SECTION I - CONTRACT CLAUSES

I.1 NOTICE Listing Contract Clauses Incorporated by Reference

NOTICE:

The following solicitation provisions and/or contract clauses pertinent to this section are hereby incorporated by reference:

FEDERAL ACQUISITION REGULATION (48 CFR CHAPTER 1)

NUMBER	DATE	TITLE
52.202-1	DEC 2001	DEFINITIONS
52.203-3	APR 1984	GRATUITIES
52.203-5	APR 1984	COVENANT AGAINST CONTINGENT FEES
52.203-6	JUL 1995	RESTRICTIONS ON SUBCONTRACTOR SALES TO THE GOVERNMENT
52.203-7	JUL 1995	ANTI-KICKBACK PROCEDURES
52.203-8	JAN 1997	CANCELLATION, RESCISSION, AND RECOVERY OF FUNDS FOR ILLEGAL OR IMPROPER ACTIVITY
52.203-10	JAN 1997	PRICE OR FEE ADJUSTMENT FOR ILLEGAL OR IMPROPER ACTIVITY
52.203-12	JUN 2003	LIMITATION ON PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS
52.204-4	JUN 1996	PRINTING/COPYING DOUBLE-SIDED ON RECYCLED PAPER DEVIATION
52.204-4	AUG 2000	PRINTED OR COPIED DOUBLE-SIDED ON RECYCLED PAPER
52.209-6	JUL 1995	PROTECTING THE GOVERNMENT'S INTEREST WHEN SUBCONTRACTING WITH CONTRACTORS DEBARRED, SUSPENDED, OR PROPOSED FOR DEBARMENT
52.215-2	JUN 1999	AUDIT AND RECORDS--NEGOTIATION
52.215-17	OCT 1997	WAIVER OF FACILITIES CAPITAL COST OF MONEY
52.219-6	JUN 2003	NOTICE OF TOTAL SMALL BUSINESS SET-ASIDE
52.219-8	OCT 2000	UTILIZATION OF SMALL BUSINESS CONCERNS
52.219-14	DEC 1996	LIMITATIONS ON SUBCONTRACTING
52.222-3	JUN 2003	CONVICT LABOR
52.222-4	SEP 2000	CONTRACT WORK HOURS AND SAFETY STANDARDS ACT--OVERTIME COMPENSATION
52.222-14	FEB 1988	DISPUTES CONCERNING LABOR STANDARDS
52.222-26	APR 2002	EQUAL OPPORTUNITY
52.222-35	DEC 2001	EQUAL OPPORTUNITY FOR SPECIAL DISABLED VETERANS, VETERANS OF THE VIETNAM ERA, AND OTHER ELIGIBLE VETERANS
52.222-36	JUN 1998	AFFIRMATIVE ACTION FOR WORKERS WITH DISABILITIES
52.222-37	DEC 2001	EMPLOYMENT REPORTS ON SPECIAL DISABLED

		VETERANS, VETERANS OF THE VIETNAM ERA, AND OTHER ELIGIBLE VETERANS
52.222-41	MAY 1989	SERVICE CONTRACT ACT OF 1965, AS AMENDED
52.222-43	MAY 1989	FAIR LABOR STANDARDS ACT AND SERVICE CONTRACT ACT - PRICE ADJUSTMENT (MULTIPLE YEAR AND OPTION CONTRACTS)
52.223-6	MAY 2001	DRUG-FREE WORKPLACE
52.223-14	JUN 2003	TOXIC CHEMICAL RELEASE REPORTING
52.225-13	JUN 2003	RESTRICTIONS ON CERTAIN FOREIGN PURCHASES
52.227-1	JUL 1995	AUTHORIZATION AND CONSENT
52.227-2	AUG 1996	NOTICE AND ASSISTANCE REGARDING PATENT AND COPYRIGHT INFRINGEMENT
52.227-14	JUN 1987	RIGHTS IN DATA--GENERAL
52.227-14	JUN 1987	RIGHTS IN DATA--GENERAL ALTERNATE II (JUN 1987)
52.227-14	JUN 1987	RIGHTS IN DATA--GENERAL ALTERNATE III (JUN 1987)
52.227-14	JUN 1987	RIGHTS IN DATA--GENERAL ALTERNATE V (JUN 1987)
52.227-16	JUN 1987	ADDITIONAL DATA REQUIREMENTS
52.227-17	JUN 1987	RIGHTS IN DATA--SPECIAL WORKS
52.229-3	APR 2003	FEDERAL, STATE, AND LOCAL TAXES
52.232-1	APR 1984	PAYMENTS
52.232-8	FEB 2002	DISCOUNTS FOR PROMPT PAYMENT
52.232-11	APR 1984	EXTRAS
52.232-16	APR 2003	PROGRESS PAYMENTS
52.232-17	JUN 1996	INTEREST
52.232-23	JAN 1986	ASSIGNMENT OF CLAIMS
52.232-25	FEB 2002	PROMPT PAYMENT
52.232-34	MAY 1999	PAYMENT BY ELECTRONIC FUNDS TRANSFER--OTHER THAN CENTRAL CONTRACTOR REGISTRATION
52.233-1	JUL 2002	DISPUTES ALTERNATE I (DEC 1991)
52.233-3	AUG 1996	PROTEST AFTER AWARD
52.242-13	JUL 1995	BANKRUPTCY
52.243-1	AUG 1987	CHANGES--FIXED-PRICE
52.243-1	AUG 1987	CHANGES--FIXED-PRICE ALTERNATE III (APR 1984)
52.244-2	AUG 1998	SUBCONTRACTS
52.244-6	APR 2003	SUBCONTRACTS FOR COMMERCIAL ITEMS
52.246-25	FEB 1997	LIMITATION OF LIABILITY--SERVICES
52.249-4	APR 1984	TERMINATION FOR CONVENIENCE OF THE GOVERNMENT (SERVICES) (SHORT FORM)
52.249-8	APR 1984	DEFAULT (FIXED-PRICE SUPPLY AND SERVICE)
52.252-6	APR 1984	AUTHORIZED DEVIATIONS IN CLAUSES
52.253-1	JAN 1991	COMPUTER GENERATED FORMS

I.2 ORDERING (FAR 52.216-18) (OCT 1995)

(a) Any supplies and services to be furnished under this contract shall be ordered by issuance of delivery orders or task orders by the individuals or activities designated in the Schedule. Such orders may be issued from the Contract Award Date through December 31, 2004.

(b) All delivery orders or task orders are subject to the terms and conditions of this contract. In the event of conflict between a delivery order or task order and this contract, the contract shall control.

(c) If mailed, a delivery order or task order is considered "issued" when the Government deposits the order in the mail. Orders may be issued orally, by facsimile, or by electronic commerce methods only if authorized in the Schedule.

I.3 ORDER LIMITATIONS (FAR 52.216-19) (OCT 1995)

(a) Minimum order. When the Government requires supplies or services covered by this contract in an amount of less than $2,500, the Government is not obligated to purchase, nor is the Contractor obligated to furnish, those supplies or services under the contract.

(b) Maximum order. The Contractor is not obligated to honor--

(1) Any order for a single item in excess of $2,000,000;

(2) Any order for a combination of items in excess of $2,000,000;

(3) A series of orders from the same ordering office within 30 days that together call for quantities exceeding the limitation in subparagraph (1) or (2) above.

(c) If this is a requirements contract (i.e., includes the Requirements clause at subsection 52.216-21 of the Federal Acquisition Regulation), the Government is not required to order a part of any one requirement from the Contractor if that requirement exceeds the maximum-order limitations in paragraph (b) above.

(d) Notwithstanding paragraphs (b) and (c) above, the Contractor shall honor any order exceeding the maximum order limitations in paragraph (b), unless that order (or orders) is returned to the ordering office within 15 days after issuance, with written notice stating the Contractor's intent not to ship the item (or items) called for and the reasons. Upon receiving this notice, the Government may acquire the supplies or services from another source.

I.4 INDEFINITE QUANTITY (FAR 52.216-22) (OCT 1995)

(a) This is an indefinite-quantity contract for the supplies or services specified, and effective for the period stated, in the Schedule. The quantities of supplies and services specified in the Schedule are estimates only and are not purchased by this contract.

(b) Delivery or performance shall be made only as authorized by orders issued in accordance with the Ordering clause. The Contractor shall furnish to the Government, when and if ordered, the supplies or services specified in the Schedule up to and including the quantity designated in the Schedule as the "maximum." The Government shall order at least the quantity of supplies or services designated in the Schedule as the "minimum."

(c) Except for any limitations on quantities in the Order Limitations clause or in the Schedule, there is no limit on the number of orders that may be issued. The Government may issue orders requiring delivery to multiple destinations or performance at multiple locations.

(d) Any order issued during the effective period of this contract and not completed within that period shall be completed by the Contractor within the time specified in the order. The contract shall govern the Contractor's and Government's rights and obligations with respect to that order to the same extent as if the order were completed during the contract's effective period; provided, that the Contractor shall not be required to make any deliveries under this contract after six months beyond the expiration date of the contract.

I.5 NOTICE OF PRICE EVALUATION PREFERENCE FOR HUBZONE SMALL BUSINESS CONCERNS (FAR 52.219-4) (JAN 1999) DEVIATION

(a) *Definition*. HUBZone small business concern, as used in this clause, means a small business concern that appears on the List of Qualified HUBZone Small Business Concerns maintained by the Small Business Administration.

(b) *Evaluation preference*. (1) Offers will be evaluated by adding a factor of 10 percent to the price of all offers, except--

(i) Offers from HUBZone small business concerns that have not waived the evaluation preference;

(ii) Otherwise successful offers from small business concerns;

(iii) Otherwise successful offers of eligible products under the Trade Agreements Act when the dollar threshold for application of the Act is exceeded (see 25.402 of the Federal Acquisition Regulation (FAR)); and

(iv) Otherwise successful offers where application of the factor would be inconsistent with a Memorandum of Understanding or other international agreement with a foreign government.

(2) The factor of 10 percent shall be applied on a line item basis or to any group of items on which award may be made. Other evaluation factors described in the solicitation shall be applied before application of the factor.

(3) A concern that is both a HUBZone small business concern and a small disadvantaged business concern will receive the benefit of both the HUBZone small business price evaluation preference and the small disadvantaged business price evaluation adjustment (see FAR clause 52.219-23). Each applicable price evaluation preference or adjustment shall be calculated independently against an offeror's base offer. These individual preference amounts shall be added together to arrive at the total evaluated price for that offer.

(c) *Waiver of evaluation preference*. A HUBZone small business concern may elect to waive the evaluation preference, in which case the factor will be added to its offer for evaluation purposes. The agreements in paragraph (d) of this clause do not apply if the offeror has waived the evaluation preference. {time} Offeror elects to waive the evaluation preference.

(d) *Agreement*. A HUBZone small business concern agrees that in the performance of the contract, in the case of a contract for(1) Services (except construction), at least 50 percent of the cost of personnel for contract

performance will be spent for employees of the concern or employees of other HUBZone small business concerns;

(2) Supplies (other than procurement from a nonmanufacturer of such supplies), at least 50 percent of the cost of manufacturing, excluding the cost of materials, will be performed by the concern or other HUBZone small business concerns;

(3) General construction, at least 15 percent of the cost of the contract performance incurred for personnel will be will be spent on the concern's employees or the employees of other HUBZone small business concerns; or

(4) Construction by special trade contractors, at least 25 percent of the cost of the contract performance incurred for personnel will be spent on the concern's employees or the employees of other HUBZone small business concerns.

(e) A HUBZone joint venture agrees that in the performance of the contract, the applicable percentage specified in paragraph (d) of this clause will be performed by the HUBZone small business participant or participants.

(f) A HUBZone small business concern nonmanufacturer agrees to furnish in performing this contract only end items manufactured or produced by HUBZone small business manufacturer concerns. This paragraph does not apply in connection with construction or service contracts.

I.6 STATEMENT OF EQUIVALENT RATES FOR FEDERAL HIRES (FAR 52.222-42) (MAY 1989)

In compliance with the Service Contract Act of 1965, as amended, and the regulations of the Secretary of Labor (29 CFR Part 4), this clause identifies the classes of service employees expected to be employed under the contract and states the wages and fringe benefits payable to each if they were employed by the contracting agency subject to the provisions of 5 U.S.C. 5341 or 5332.

THIS STATEMENT IS FOR INFORMATION ONLY: IT IS NOT A WAGE DETERMINATION.

Employee Class	Monetary Wage
21020 Material Coordinator	$17.05
21040 Material Handling Laborer	$11.65
23440 Heavy Equipment Operator	$19.75
31363 Heavy Truck Driver	$17.95
21071 Forklift Operator	$15.25
99310 Recycling Worker	$15.25
21130 Shipping Packer	$14.35
21030 Material Expeditor	$17.05
01118 General Clerk IV	$12.47

I.7 SERVICE CONTRACT ACT (SCA) MINIMUM WAGES AND FRINGE BENEFITS (FAR 52.222-47) (MAY 1989)

An SCA wage determination applicable to this work has been requested from the U.S. Department of Labor. If an SCA wage determination is not incorporated herein, the bidders/offerors shall consider the economic terms of the collective bargaining agreement (CBA) between the incumbent Contractor _____ and the _____ (union). If the economic terms of the collective bargaining agreement or the collective bargaining agreement itself is not attached to the solicitation, copies can be obtained from the Contracting Officer. Pursuant to Department of Labor Regulation, 29 CFR 4.1b and paragraph (g) of the clause at 52.222-41, Service Contract Act of 1965, as amended, the economic terms of that agreement will apply to the contract resulting from this solicitation, notwithstanding the absence of a wage determination reflecting such terms, unless it is determined that the agreement was not the result of arm's length negotiations or that after a hearing pursuant to section 4(c) of the Act, the economic terms of the agreement are substantially at variance with the wages prevailing in the area.

I.8 CLAUSES INCORPORATED BY REFERENCE (FAR 52.252-2) (FEB 1998)

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at this/these address(es):

http://www.arnet.gov/far/

[Insert one or more Internet addresses]

PART III - LIST OF DOCUMENTS, EXHIBITS, AND OTHER ATTACHMENTS

SECTION J - LIST OF ATTACHMENTS

J.1 LIST OF ATTACHMENTS (EP 52.252-100) (APR 1984)

Number	Attachment Title
1	Interested Contractor List
2	Service Contract Act Wage Determinations for Regions throughout the U.S. Actual Wage Determinations are included on the READ website at http://www.epa.gov/oam/hpod

PART IV - REPRESENTATIONS AND INSTRUCTIONS

SECTION K - REPRESENTATIONS, CERTIFICATIONS, AND OTHER STATEMENTS OF OFFERORS

K.1 NOTICE Listing Contract Clauses Incorporated by Reference

NOTICE:

The following solicitation provisions and/or contract clauses pertinent to this section are hereby incorporated by reference:

FEDERAL ACQUISITION REGULATION (48 CFR CHAPTER 1)

NUMBER	DATE	TITLE
52.203-2	APR 1985	CERTIFICATE OF INDEPENDENT PRICE DETERMINATION
52.203-11	APR 1991	CERTIFICATION AND DISCLOSURE REGARDING PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS
52.204-3	OCT 1998	TAXPAYER IDENTIFICATION
52.209-5	DEC 2001	CERTIFICATION REGARDING DEBARMENT, SUSPENSION, PROPOSED DEBARMENT, AND OTHER RESPONSIBILITY MATTERS
52.215-6	OCT 1997	PLACE OF PERFORMANCE
52.222-21	FEB 1999	PROHIBITION OF SEGREGATED FACILITIES
52.222-22	FEB 1999	PREVIOUS CONTRACTS AND COMPLIANCE REPORTS
52.222-25	APR 1984	AFFIRMATIVE ACTION COMPLIANCE
52.223-4	OCT 1997	RECOVERED MATERIAL CERTIFICATION
52.223-13	JUN 2003	CERTIFICATION OF TOXIC CHEMICAL RELEASE REPORTING
1552.204-70	JAN 2001	BUSINESS OWNERSHIP REPRESENTATION
1552.209-72	APR 1984	ORGANIZATIONAL CONFLICT OF INTEREST CERTIFICATION
1552.224-70	APR 1984	SOCIAL SECURITY NUMBERS OF CONSULTANTS AND CERTAIN SOLE PROPRIETORS AND PRIVACY ACT STATEMENT

K.2 SMALL BUSINESS PROGRAM REPRESENTATIONS (FAR 52.219-1) (APR 2002)

(a)(1) The North American Industry Classification System (NAICS) code for this acquisition is _____ *[insert NAICS code]*.

(2) The small business size standard is _____ *[insert size standard]*.

(3) The small business size standard for a concern which submits an offer in its own name, other than on a construction or service contract, but

which proposes to furnish a product which it did not itself manufacture, is 500 employees.

(b) *Representations.*

(1) The offeror represents as part of its offer that it [ ]is, [ ]is not a small business concern.

(2) *[Complete only if the offeror represented itself as a small business concern in paragraph (b)(1) of this provision.]* The offeror represents, for general statistical purposes, that it [ ]is, [ ]is not, a small disadvantaged business concern as defined in 13 CFR 124.1002.

(3) *[Complete only if the offeror represented itself as a small business concern in paragraph (b)(1) of this provision.]* The offeror represents as part of its offer that it [ ]is, [ ]is not a women-owned small business concern.

(4) *[Complete only if the offeror represented itself as a small business concern in paragraph (b)(1) of this provision.]* The offeror represents as part of its offer that it [ ]is, [ ]is not a veteran-owned small business concern.

(5) *[Complete only if the offeror represented itself as a veteran-owned small business concern in paragraph (b)(4) of this provision.]* The offeror represents as part of its offer that is [ ]is, [ ]is not a service-disabled veteran-owned small business concern.

(6) *[Complete only if the offeror represented itself as a small business concern in paragraph (b)(1) of this provision.]* The offeror represents, as part of its offer, that--

(i) It [ ] is, [ ] is not a HUBZone small business concern listed, on the date of this representation, on the List of Qualified HUBZone Small Business Concerns maintained by the Small Business Administration, and no material change in ownership and control, principal office, or HUBZone employee percentage has occurred since it was certified by the Small Business Administration in accordance with 13 CFR part 126; and

(ii) It [ ] is, [ ] is not a joint venture that complies with the requirements of 13 CFR part 126, and the representation in paragraph (b)(6)(i) of this provision is accurate for the HUBZone small business concern or concerns that are participating in the joint venture. *[The offeror shall enter the name or names of the HUBZone small business concern or concerns that are participating in the joint venture:_____.]* Each HUBZone small business concern participating in the joint venture shall submit a separate signed copy of the HUBZone representation.

(c) *Definitions.* As used in this provision--

"Service-disabled veteran-owned small business concern"-

(1) Means a small business concern-

(i) Not less than 51 percent of which is owned by one or more service-disabled veterans or, in the case of any publicly owned business, not

less than 51 percent of the stock of which is owned by one or more service-disabled veterans; and

(ii) The management and daily business operations of which are controlled by one or more service-disabled veterans or, in the case of a veteran with permanent and severe disability, the spouse or permanent caregiver of such veteran.

(2) Service-disabled veteran means a veteran, as defined in 38 U.S.C. 101(2), with a disability that is service-connected, as defined in 38 U.S.C. 101(16).

"Small business concern," means a concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding on Government contracts, and qualified as a small business under the criteria in 13 CFR Part 121 and the size standard in paragraph (a) of this provision.

"Veteran-owned small business concern" means a small business concern-

(1) Not less than 51 percent of which is owned by one or more veterans (as defined at 38 U.S.C. 101(2)) or, in the case of any publicly owned business, not less than 51 percent of the stock of which is owned by one or more veterans; and

(2) The management and daily business operations of which are controlled by one or more veterans.

"Women-owned small business concern," means a small business concern --

(1) That is at least 51 percent owned by one or more women; or, in the case of any publicly owned business, at least 51 percent of the stock of which is owned by one or more women; and

(2) Whose management and daily business operations are controlled by one or more women.

(d) *Notice.*

(1) If this solicitation is for supplies and has been set aside, in whole or in part, for small business concerns, then the clause in this solicitation providing notice of the set-aside contains restrictions on the source of the end items to be furnished.

(2) Under 15 U.S.C. 645(d), any person who misrepresents a firm's status as a small, HUBZone small, small disadvantaged, or women-owned small business concern in order to obtain a contract to be awarded under the preference programs established pursuant to section 8(a), 8(d), 9, or 15 of the Small Business Act or any other provision of Federal law that specifically references section 8(d) for a definition of program eligibility, shall --

(i) Be punished by imposition of fine, imprisonment, or both;
(ii) Be subject to administrative remedies, including suspension and debarment; and

(iii) Be ineligible for participation in programs conducted under the authority of the Act.

K.3 SMALL DISADVANTAGED BUSINESS STATUS (FAR 52.219-22) (OCT 1999)

(a) *General*. This provision is used to assess an offeror's small disadvantaged business status for the purpose of obtaining a benefit on this solicitation. Status as a small business and status as a small disadvantaged business for general statistical purposes is covered by the provision at FAR 52.219-1, Small Business Program Representation.

(b) *Representations.(1) General*. The offeror represents, as part of its offer, that it is a small business under the size standard applicable to this acquisition; and either--

[ ] (i) It has received certification by the Small Business Administration as a small disadvantaged business concern consistent with 13 CFR 124, Subpart B; and

(A) No material change in disadvantaged ownership and control has occurred since its certification;

(B) Where the concern is owned by one or more disadvantaged individuals, the net worth of each individual upon whom the certification is based does not exceed $750,000 after taking into account the applicable exclusions set forth at 13 CFR 124.104(c)(2); and

(C) It is identified, on the date of its representation, as a certified small disadvantaged business concern in the database maintained by the Small Business Administration (PRO-Net); or

[ ] (ii) It has submitted a completed application to the Small Business Administration or a Private Certifier to be certified as a small disadvantaged business concern in accordance with 13 CFR 124, Subpart B, and a decision on that application is pending, and that no material change in disadvantaged ownership and control has occurred since its application was submitted.

(2) [ ] *For Joint Ventures*. The offeror represents, as part of its offer, that it is a joint venture that complies with the requirements at 13 CFR 124.1002(f) and that the representation in paragraph (b)(1) of this provision is accurate for the small disadvantaged business concern that is participating in the joint venture. *[The offeror shall enter the name of the small disadvantaged business concern that is participating in the joint venture: _____.]*

(c) *Penalties and Remedies*. Anyone who misrepresents any aspects of the disadvantaged status of a concern for the purposes of securing a contract or subcontract shall:

(1) Be punished by imposition of a fine, imprisonment, or both;

(2) Be subject to administrative remedies, including suspension and debarment; and

(3) Be ineligible for participation in programs conducted under the authority of the Small Business Act.

K.4 SIGNATURE BLOCK (EP 52.299-900) (APR 1984)

I hereby certify that the responses to the above Representations, Certifications and other statements are accurate and complete.

Signature: _____

Title : _____

Date : _____

SECTION L - INSTRUCTIONS, CONDITIONS, AND NOTICES TO OFFERORS

L.1 NOTICE Listing Contract Clauses Incorporated by Reference

NOTICE:

The following solicitation provisions and/or contract clauses pertinent to this section are hereby incorporated by reference:

FEDERAL ACQUISITION REGULATION (48 CFR CHAPTER 1)

NUMBER	DATE	TITLE
52.204-6	SEP 1999	DATA UNIVERSAL NUMBERING SYSTEM (DUNS) NUMBER
52.215-1	OCT 1997	INSTRUCTIONS TO OFFERORS-COMPETITIVE ACQUISITION ALTERNATE I (OCT 1997)
52.215-16	JUN 2003	FACILITIES CAPITAL COST OF MONEY
52.232-13	APR 1984	NOTICE OF PROGRESS PAYMENTS
1552.209-70	APR 1984	ORGANIZATIONAL CONFLICT OF INTEREST NOTIFICATION
1552.233-70	JUL 1999	NOTICE OF FILING REQUIREMENTS FOR AGENCY PROTESTS

L.2 TYPE OF CONTRACT (FAR 52.216-1) (APR 1984) DEVIATION

The Government contemplates award of multiple Fixed Rate, Indefinite Delivery/ Indefinite Quantity (FR-ID/IQ) contracts resulting from this solicitation. Task Orders issued under the contract may be fixed-price, performance-based. The resulting fixed price will be based on the itemized fixed rates listed in Section B.

L.3 SERVICE OF PROTEST (FAR 52.233-2) (AUG 1996)

(a) Protests, as defined in Section 33.101 of the Federal Acquisition Regulation, that are filed directly with an agency, and copies of any protests that are filed with the General Accounting Office (GAO) shall be served on the Contracting Officer (addressed as follows) by obtaining written and dated acknowledgement of receipt from:

Oliver M. Voss

Hand-Carried Address:

Environmental Protection Agency
1300 Pennsylvania Avenue, N.W.
Washington, DC 20004
Mailing Address:

Environmental Protection Agency
1200 Pennsylvania Avenue, N.W.
Washington, DC 20460

(b) The copy of any protest shall be received in the office designated above within one day of filing a protest with the GAO.

L.4 SOLICITATION PROVISIONS INCORPORATED BY REFERENCE (FAR 52.252-1) (FEB 1998)

This solicitation incorporates one or more solicitation provisions by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. The offeror is cautioned that the listed provisions may include blocks that must be completed by the offeror and submitted with its quotation or offer. In lieu of submitting the full text of those provisions, the offeror may identify the provision by paragraph identifier and provide the appropriate information with its quotation or offer. Also, the full text of a solicitation provision may be accessed electronically at this/these address(es):

http://www.arnet.gov/far/

[Insert one or more Internet addresses]

L.5 PROPOSED CONTRACT START DATE (EP 52.212-170) (AUG 1984)

For proposal preparation purposes, offerors may assume a contract start date of May 1, 2004.

L.6 PAST PERFORMANCE INFORMATION (EPAAR 1552.215-75) (OCT 2000)

(a) Offerors shall submit the information requested below as part of their proposal for both the offeror and any proposed subcontractors for subcontracts expected to exceed $100,000. The information may be submitted prior to other parts of the proposal in order to assist the Government in reducing the evaluation period.

(b) Offerors shall submit a list of all or at least 3 contracts and subcontracts completed in the last 5 years, and all contracts and subcontracts currently in process, which are similar in nature to this requirement.

(1) The contracts and subcontracts listed may include those entered into with Federal, State and local governments, and commercial businesses, which are of similar scope, magnitude, relevance, and complexity to the requirement which is described in the RFP. Include the following information for each contract and subcontract listed:

(a) Name of contracting activity.
(b) Contract number.
(c) Contract title.
(d) Contract type.

(e) Brief description of contract or subcontract and relevance to this requirement.

(f) Total contract value.

(g) Period of performance.

(h) Contracting officer, telephone number, and E-mail address (if available).

(i) Program manager/project officer, telephone number, and E-mail address (if available).

(j) Administrative Contracting officer, if different from (h)above, telephone number, and E-mail address (if available).

(k) List of subcontractors (if applicable).

(l) Compliance with subcontracting plan goals for small disadvantaged business concerns, monetary targets for small disadvantaged business participation, and the notifications submitted under FAR 19.1202-4 (b), if applicable.

(c) Offerors should not provide general information on their performance on the identified contracts and subcontracts. General performance information will be obtained from the references.

(1) Offerors may provide information on problems encountered and corrective actions taken on the identified contracts and subcontracts.

(2) References that may be contacted by the Government include the contracting officer, program manager/project officer, or the administrative contracting officer identified above.

(3) If no response is received from a reference, the Government will make an attempt to contact another reference identified by the offeror, to contact a reference not identified by the offeror, or to complete the evaluation with those references who responded. The Government shall consider the information provided by the references, and may also consider information obtained from other sources, when evaluating an offeror's past performance.

(4) Attempts to obtain responses from references will generally not go beyond two telephonic messages and/or written requests from the Government, unless otherwise stated in the solicitation. The Government is not obligated to contact all of the references identified by the offeror.

(d) If negative feedback is received from an offeror's reference, the Government will compare the negative response to the responses from the offeror's other references to note differences. A score will be assigned appropriately to the offeror based on the information. The offeror will be given the opportunity to address adverse past performance information obtained from references on which the offeror has not had a previous opportunity to comment, if that information makes a difference in the Government's decision to include the offeror in or exclude the offeror from the competitive range. Any past performance deficiency or significant weakness will be discussed with offerors in the competitive range during discussions.

(e)If an offeror has no relevant past performance history, an offeror must affirmatively state that it possesses no relevant past performance history.

(f) Each offeror may describe any quality awards or certifications that indicate the offeror possesses a high-quality process for developing and producing the product or service required. Such awards or certifications

include, for example, the Malcolm Baldrige Quality Award, other Government quality awards, and private sector awards or certifications.

(1) Identify the segment of the company (one division or the entire company) which received the award or certification.

(2) Describe when the award or certification was bestowed. If the award or certification is over three years old, present evidence that the qualifications still apply.

(g) Past performance information will be used for both responsibility determinations and as an evaluation factor for award. Past performance questions identified in section L will be used to collect information on an offeror's performance under existing and prior contracts/subcontracts for products or services similar in scope, magnitude, relevance, and complexity to this requirement in order to evaluate offerors consistent with the past performance evaluation factor set forth in section M. References other than those identified by the offeror may be contacted by the Government and used in the evaluation of the offeror's past performance.

(h) Any information collected concerning an offeror's past performance will be maintained in the official contract file.

(i) In accordance with FAR 15.305 (a) (2) (iv), offerors with no relevant past performance history, or for whom information on past performance is not available, will be evaluated neither favorably nor unfavorably on past performance.

L.7 Proposal Preparation Instructions

Specific Proposal Instructions

Offerors should be aware that the appropriate time to request clarifications or take exception to the terms and conditions of the contract as set forth in this Request for Proposal (RFP), or to offer alternative terms and conditions, is during the proposal preparation stage, before the proposal due date, and not in the submitted proposal. Should an offeror desire to propose alternative terms and conditions to the contract in the proposal, the contractor may include a section in the proposal entitled "Suggestions for Alternative Terms and Conditions by the Offeror." However, the offeror must make it clear that its proposal is in no way contingent upon the Government's acceptance of such alternative terms and conditions and that it completely accepts the terms and conditions as set forth in the RFP plus amendments, if any. We intend to award contracts based on initial proposals, without discussions. The Government is not obligated to hold discussions or negotiate any alternative terms or conditions suggested by an offeror. Submitting a proposal that is contingent upon alternate terms and conditions could result in a determination of non-responsiveness.

Since this requirement will be fulfilled as a total small business set-aside, and we have discovered that most small businesses cannot provide nationwide coverage, we will issue three different Groups of contracts as a result of this competition. We anticipate awarding up to three contracts per Group, but reserve the right to award fewer than three per group. The three

Groups of contracts will all cover all of the requirements delineated in the Statement of Objectives, the only difference being the geographic location for which the contractor may provide recycling services. The Groups are identified as follows:

Group A - EPA will award up to three Nationwide contracts, whereby selected contractors may be required to provide recycling services to Government agencies and/or departments who have offices and warehouses located within and throughout the 48 continental United States;
Group B - EPA will award up to three Eastern U.S. contracts, whereby selected contractors may be required to provide recycling services to Government agencies and/or departments who have offices and warehouses only located east of the Mississippi river (i.e., Eastern U.S.); and
Group C - EPA will award up to three Western U.S. contracts, whereby selected contractors may be required to provide recycling services to Government agencies and/or departments who have offices and warehouses only located west of the Mississippi river (i.e., Western U.S.).

Only one proposal from each offeror will be accepted. Within the proposal, contractors must specify the specific Group(s) for which they are proposing to receive a contract (Group A, B, or C), including their order of preference if consideration for multiple groups is desired. The States corresponding to Groups B and C are listed in Clause C.3. While contractors may propose for more than one Group, a contractor can only receive one contract as a result of this solicitation. Contractors will be considered for all Groups that they specify in their proposal, and may receive a contract for their first, second, or third preference, but cannot receive multiple contracts for inclusion within more than one Group. In addition, if a contractor specifies a preference for more than one Group, and is eliminated from competition for their preferred Group, they will remain in contention for the remaining groups, if those Groups were identified as a preference. For example, if a contractor specifies Groups A and B, with Group A being preferred, and they are not selected for Group A, they remain eligible to receive a contract for Group B. The offeror will remain in the competition with other offerors who are eligible for Group B.

A. Proposal Content

Offerors shall present their technical capabilities and a technical approach that addresses all of the elements within the solicitation's Statement of Objectives (SOO). Offerors shall address qualifications of proposed key personnel, overall management approach, reporting capabilities, corporate experience and past performance information.

The cost/pricing proposal shall be submitted under a separate volume and shall be sufficiently detailed to enable the Government personnel to make a thorough evaluation of the proposals and to arrive at a sound determination as to whether the offeror will be able to perform in accordance with the requirements of the RFP. The assumptions regarding the size and weight of certain pieces of electronic equipment, as described below, shall be taken into consideration when proposing the fixed rates to be applied in Clause B.1.

The general statement that "the Offeror understands the requirement and can or will comply with the solicitation's objectives" is considered inadequate and will be evaluated as such. Proposals shall be sufficiently complete to demonstrate the manner in which the Offeror can meet the applicable requirements of the solicitation. Brochuremanship is not desired; clarity and completeness are essential. Data previously submitted, or presumed to be known (i.e., previous projects performed on behalf of the Government) will not be considered as part of the proposal unless the offeror provides the data in the proposal. The Government will only consider information submitted in the proposal during the evaluation.

B. The Technical Proposal - The technical proposal shall be divided into two sections as follows:

1. Technical Capability and Approach, Management Approach, and Subcontract Organization and Tasking

Section 1 of the offeror's technical proposal is the primary basis for evaluating the technical and management merits of the approach being offered, the subcontracting and tasking methodologies, and the offeror's reporting capabilities. In addition, offerors will be required to respond to a sample task order requirement and describe how recycling and asset disposition will be accomplished for the sample order. During the evaluation, EPA will determine the degree to which the offeror's claim of performance capability is supported and the ability of the offeror to perform in accordance with the requirements.

The following paragraphs describe the technical factors/subfactors to be evaluated.

Evaluation Factor 1 - Technical Capability and Approach, Management Approach and Key Personnel

a. Technical Capability and Approach (Subfactor 1.1) - The offeror must present their technical capability and approach by addressing all elements for each task area described in the SOO. As discussed in Section M, the offeror will be evaluated for appropriateness, completeness and overall quality of the methodology and proposed approach to accomplish the tasking areas delineated in the SOO. EPA will evaluate the substance of the proposal, not the presentation style.

b. Management Approach (Subfactor 1.2) - The offeror must present their management approach addressing multi-site, multi-task initiatives which may involve diverse labor requirements, geographic location challenges, and/or use of subcontracting to accomplish the tasking requirements. The proposal shall address the methods, procedures and practices which will be implemented by the offeror to: strengthen, manage and utilize resources; address and resolve problems; control cost; ensure timeliness and customer satisfaction; enhance communication between the company and the customer; provide accurate reporting and tracking; and maintain a high level of quality services while ensuring economy and efficiency to the Government.

The offeror shall also address quality controls that will support the general management of the contract. As described in Section M, the

offeror will be evaluated for appropriateness, completeness and overall quality of its proposed program, contract/subcontract approach, and personnel management policies and practices.

c. Subcontract Organization and Tasking (Subfactor 1.3) -

The offeror must describe the role any anticipated subcontractors or other business/teaming partners will play during contract performance, their unique capabilities, and the approach for assigning specific tasking requirements to subcontractors. The proposal shall address the methods for anticipating, identifying and resolving conflicts and problems between subcontractor(s) and the prime contractor and a proposed process for handling poor performance by subcontractors.

d. Sample Task Order (Subfactor 1.4) -

The offeror must describe, in detail, how they would accomplish meeting the tasking requirements for the following sample task order. The following assumptions must be taken into consideration:

The customer agency, the Bureau of Land Management(BLM), identifies their asset disposition requirements and outlines the electronic equipment they have designated as surplus and stored in warehouses. The customer agency has headquarters in Washington, D.C., but also has four satellite offices in Philadelphia, PA; Chicago, IL; Dallas, TX; and San Francisco, CA. BLM has requested that a READ contractor provide complete asset disposition services for all of their current excess electronic property in inventory. The following information has been provided to each eligible contractor in the task order proposal request. The READ contractor is requested to submit a proposal outlining the proposed approach for recycling and disposition of the identified excess electronic assets. The following table identifies the type of equipment and the equipments location:

Excess Equipment List

Location: Washington, DC

Equipment	Manufacturer	Description	Quantity	Condition*
Desktop PC	IBM	486	200	1
Desktop PC	Compaq	Pentium100	200	1
Desktop PC	Dell	P200	100	2
Desktop PC	Gateway	P400	200	2
Desktop PC	IBM	P500	400	3
Desktop PC	Compaq	P600	200	3
Desktop PC	Dell	P650	100	4
Desktop PC	HP	P750	200	4
Monitor	IBM	15" XGA	200	1
Monitor	Compaq	17" XGA	200	2
Monitor	Dell	15" SGVA	100	2
Monitor	Gateway	17" SGVA	200	3
Monitor	IBM	17" LCDFlatscreen	100	4
Printer	HP	DeskJet800 Series	100	3
Laptop PC	Compaq	P400	200	2
Laptop PC	Dell	P600	100	3
Laptop PC	HP	P700	200	4

Copier	XEROX	5000 Series	15	2
Facsimile	HP	1999 Model	100	2

Location: Philadelphia, PA

Equipment	Manufacturer	Description	Quantity	Condition
Desktop PC	Dell	P200	100	2
Desktop PC	Gateway	P400	200	2
Desktop PC	IBM	P500	100	3
Desktop PC	Compaq	P600	200	3
Monitor	Dell	15" SGVA	100	2
Monitor	Gateway	17" SGVA	200	3
Monitor	IBM	17" LCDFlatscreen	100	4
Printer	HP	DeskJet800 Series	100	3
Laptop PC	Compaq	P400	200	2
Copier	XEROX	5000 Series	5	2
Facsimile	HP	1999 Model	100	2

Location: Dallas, TX

Equipment	Manufacturer	Description	Quantity	Condition
Desktop PC	Dell	P200	10	2
Desktop PC	Gateway	P400	20	2
Desktop PC	IBM	P500	10	3
Monitor	Gateway	17" SGVA	20	3
Monitor	IBM	17" LCDFlatscreen	10	4
Printer	HP	DeskJet800 Series	10	3
Laptop PC	Compaq	P400	20	2
Facsimile	HP	1999 Model	10	2

Location: Chicago, IL

Equipment	Manufacturer	Description	Quantity	Condition
Desktop PC	Dell	P200	50	2
Desktop PC	Gateway	P400	100	2
Desktop PC	IBM	P500	50	3
Desktop PC	Compaq	P600	100	3
Monitor	Dell	15" SGVA	50	2
Monitor	Gateway	17" SGVA	100	3
Monitor	IBM	17" LCDFlatscreen	50	4
Printer	HP	DeskJet800 Series	100	3
Laptop PC	Compaq	P400	100	2
Copier	XEROX	5000 Series	5	2
Facsimile	HP	1999 Model	50	2

Location: San Francisco, CA

Equipment	Manufacturer	Description	Quantity	Condition
Desktop PC	Dell	P200	1	2
Desktop PC	Gateway	P400	1	2
Desktop PC	IBM	P500	3	3
Monitor	Gateway	17" SGVA	5	3
Monitor	IBM	17" LCDFlatscreen	5	4
Printer	HP	DeskJet800 Series	5	3
Laptop PC	Compaq	P400	5	2

Condition Code: 1=poor, 2=average, 3=good, 4=very good, 5=excellent

For solicitation proposal purposes, contractors shall submit their proposed approach for this sample task order in separate section of their proposal describing how they would recommend fulfilling the customer agency's

requirements. EPA plans to award contracts on initial offers. However, if EPA establishes a competitive range and enters negotiations/discussions under this solicitation, we will not hold discussions on the sample task order.

If an offeror has decided to only propose for a Group B or C contract, then they shall only propose a response to this sample task order for those offices that are geographically located within that Group (i.e, Group B is Washington, Philadelphia, and Chicago; Group C is Dallas and San Francisco). If an offeror requests consideration for a contract for all three groups, then only one approach to this task order is required. EPA evaluators of this sample task order will apply the same score to all three Groups.

A discussion regarding the primary areas of the SOO tasks should be addressed, including: logistics, testing, tracking, security, refurbishing, re-marketing, reclamation, and recycling. The overall technical and management approach, as well as subcontract tasking (if applicable), shall be addressed. Furthermore, **the assumptions regarding the size and weight of certain pieces of electronic equipment, as described in Section C below, shall be taken into consideration when proposing the methodologies for the sample task order.**

2. Personnel, Corporate Experience and Past Performance

Section 2 of the technical proposal shall address the offeror's proposed personnel and the offeror's corporate experience and past performance. Section 2 of the proposal shall be organized in the following order:

- Organizational Chart;
- Resumes of personnel;
- Corporate Experience - two page maximum per reference is preferred; and
- Past Performance Summary Sheets - ten pages maximum is preferred for contracts and subcontracts completed in the last 3 years, and all contracts and subcontracts currently in process.

Factor 2- Personnel, Corporate Experience and Past Performance

a. Personnel (Subfactor 2.1) - The offeror shall provide specific information concerning the qualifications of personnel of the prime and team subcontractors (if applicable) who will be involved in key aspects of performance or manage the services provided under this contract. Resumes are not necessary for employees covered under the Service Contract Act. The organizational chart serves as a reference tool for understanding the offeror's corporate structure and lines of responsibility/authority. The above mentioned tools will be cross-referenced to the resumes. In the resume section, the offeror shall include a detailed resume for the Contract Level Program Manager. Other personnel who have unique skills or significant responsibility shall also be included.

Resumes shall include years of experience, training, unique qualifications, positions held and tenure with the firm, and work history as

it relates to the anticipated tasking areas to be assigned to that individual. If the individual is a pending employee, include the signed commitment agreements between the individual and offeror.

b. Corporate Experience (Subfactor 2.2) - The offeror shall describe their corporate experience (including subcontractors and affiliates) in providing services that are the same or similar to the requirements described in the SOO. Specifically, the offeror shall submit a list of a maximum of six (6) contracts or subcontracts currently in process, or completed within the past five years, which are similar in nature to this requirement. The offeror (including all proposed team subcontractors) shall provide the name of contracting activity/commercial business and a brief description of contract/subcontract work performed. This list shall demonstrate the offeror's (including prime contractor, team subcontractors and consultants) corporate experience in managing multi-tasked and/or multi-disciplinary contracts that are similar in nature to this requirement.

c. Past Performance (Subfactor 2.3) - The offeror will be evaluated on past performance under existing and prior contracts for services and supplies similar in scope, magnitude and complexity to this requirement. Past performance will be used for both responsibility determinations as well as an evaluation factor for award against which offerors' relative rankings will be compared to assure the best value to the Government. An offeror's past performance will be evaluated for the following areas:

1) Quality of service provided;
2) Timeliness of performance;
3) Effectiveness of management (including subcontractors);
4) Compliance with price estimates;
5) Customer satisfaction; and
6) Overall performance.

The offeror shall provide information on a maximum of six (6) recent projects or contracts performed within the past five years by the prime contractor and significant subcontractor(s). Information shall include points of contact with telephone numbers for reference checks.

C. Price Proposal Instructions

The price proposal will represent the offeror's understanding of the RFP's requirements and the offeror's ability to perform efficiently. The evaluation will be based on the price reasonableness and completeness of the price proposal.

After contract award, it is anticipated that fixed-priced, performance-based task orders will be issued under the resulting contract. However, fixed rates as described in Section B of the contract will be used for establishing task order prices during the fair opportunity process. Since no work will be assigned until task orders are issued, the basic contract that will result from this solicitation will be considered a fixed rate, indefinite delivery/indefinite quantity (FR-ID/IQ) type contract.

For proposal evaluation purposes, we have estimated the following quantities of items that will be handled by each contractor during each year of contract performance. Offerors shall take these estimates into consideration during development of the price proposal and to establish fixed

rates. Each item described below corresponds to the nine line items identified in section B (0001-0009):

Period	Item Description	Estimated Quantiy
5/1/04-4/30/05	PC Desktop Workstation	10,000 units
	PC Monitors	10,000 units
	PC Laptops	2,000 units
	Desktop Printers	10,000 units
	Facsimile Machines	2,000 units
	Shredding Machines	1,000 units
	Copying Machines	500 units
	Cellular Phones	2,000 units
	Scanner Machines	1,000 units
	Televisions	250 units
	Miscellaneous Items	20,000 lbs.
5/1/05-4/30/06	PC Desktop Workstation	10,000 units
	PC Monitors	10,000 units
	PC Laptops	2,000 units
	Desktop Printers	10,000 units
	Facsimile Machines	2,000 units
	Shredding Machines	1,000 units
	Copying Machines	500 units
	Cellular Phones	2,000 units
	Scanner Machines	1,000 units
	Televisions	250 units
	Miscellaneous Items	20,000 lbs.
5/1/06-4/30/07	PC Desktop Workstation	15,000 units
	PC Monitors	15,000 units
	PC Laptops	5,000 units
	Desktop Printers	15,000 units
	Facsimile Machines	5,000 units
	Shredding Machines	2,000 units
	Copying Machines	1,000 units
	Cellular Phones	5,000 units
	Scanner Machines	1,000 units
	Televisions	250 units
	Miscellaneous Items	50,000 lbs.
5/1/07-4/30/08	PC Desktop Workstation	15,000 units
	PC Monitors	15,000 units
	PC Laptops	5,000 units
	Desktop Printers	15,000 units
	Facsimile Machines	5,000 units
	Shredding Machines	2,000 units
	Copying Machines	1,000 units
	Cellular Phones	5,000 units
	Scanner Machines	1,000 units
	Televisions	250 units
	Miscellaneous Items	50,000 lbs.
5/1/08-4/30/09	PC Desktop Workstation	20,000 units
	PC Monitors	20,000 units
	PC Laptops	10,000 units
	Desktop Printers	20,000 units

Facsimile Machines	10,000 units
Shredding Machines	5,000 units
Copying Machines	2,000 units
Cellular Phones	10,000 units
Scanner Machines	1,000 units
Televisions	250 units
Miscellaneous Items	100,000 lbs.

The price proposal shall follow the same format as described in Clause B.1 for the base period each option period. For example, the base year shall include pricing using the following format. Each option period shall use the Clause B.1 format.

Item	Item Description	Item Price - TBD
0001	Price per PC Desktop Workstation (includes peripherals mouse, keyboard, speakers)	$0.00
0001a	Price per PC if over 25 units	$0.00
0001b	Price per PC if over 100 units	$0.00
0001c	Price per PC if over 500 units	$0.00
0002	Price per PC Monitor	$0.00
0002a	Price per Monitor if over 25 units	$0.00
0002b	Price per Monitor if over 100 units	$0.00
0002c	Price per Monitor if over 500 units	$0.00
0003	Price per PC Laptop	$0.00
0003a	Price per Laptop if over 25 units	$0.00
0003b	Price per Laptop if over 100 units	$0.00
0003c	Price per Laptop if over 500 units	$0.00
0004	Price per Desktop Printer	$0.00
0004a	Price per Laptop if over 25 units	$0.00
0004b	Price per Laptop if over 100 units	$0.00
0004c	Price per Laptop if over 500 units	$0.00
0005	Price per Facsimile Machine	$0.00
0005a	Price per Facsimile if over 25 units	$0.00
0005b	Price per Facsimile if over 100 units	$0.00
0005c	Price per Facsimile if over 500 units	$0.00
0006	Price per Shredding Machine	$0.00
0006a	Price per Shredder if over 20 units	$0.00
0006b	Price per Shredder if over 50 units	$0.00
0006c	Price per Shredder if over 100 units	$0.00
0007	Price per Copying Machine	$0.00
0007a	Price per Copier if over 20 units	$0.00
0007b	Price per Copier if over 50 units	$0.00
0007c	Price per Copier if over 100 units	$0.00
0008	Price per Cellular/Standard Phone	$0.00
0008a	Price per Phone if over 50 units	$0.00
0008b	Price per Phone if over 100 units	$0.00
0008c	Price per Phone if over 500 units	$0.00

0009	Price per Scanning Machine	$0.00
0009a	Price per Scanner if over 50 units	$0.00
0009b	Price per Scanner if over 100 units	$0.00
0009c	Price per Scanner if over 500 units	$0.00
0010	Price per CRT Television (TV)	$0.00
0010a	Price per TV if over 25 units	$0.00
0010b	Price per TV if over 100 units	$0.00
0010c	Price per TV if over 500 units	$0.00
0011	Price per lb. for all other non serialized peripherals or other electronic equipment as follows: cables, connectors, jacks, splitter & cluster boxes, buffers, converters, bar code readers, optical drives, tape drives, hard/floppy drives, repeater, transceiver, power backup, surge protectors, voltage regulators, modems, calculators, computer racks, projectors, vcrs, and cameras.	$0.00

Offerors are cautioned to consider carefully the award criteria in Section M, which states, in part:

"The Government will perform either cost analysis or price analysis of the Offeror's cost/business proposal in accordance with FAR Parts 15 and 31, as appropriate. In addition, the Government will also evaluate proposals to determine contract cost or price realism. Cost or price realism relates to an Offeror's demonstrating that the proposed cost or price provides an adequate reflection of the offeror's understanding of the requirements of this solicitation, i.e., that the cost or price is not unrealistically low or unreasonably high."

For pricing purposes in both the cost proposal and for the fixed rates to be included in Clause B.1, offerors shall make the following assumptions regarding the size and weight of electronic items.

Equipment	Approximate Size	Approximate Weight
PC Desktop CPU	2' x 2' x 1'	40 lbs.
PC Monitors	1' x 1' x 1'	40 lbs.
PC Laptops	1' x 1' x 3"	5 lbs.
Desktop Printers	2' x 1' x 10"	40 lbs.
Facsimile Machines	2' x 2' x 1'	50 lbs.
Shredding Machines	4' x 3' x 2'	50 lbs.
Copying Machines	4' x 4' x 3'	200 lbs.
Cellular Phones	5" x 2" x .5"	.5 lbs.
Scanner Machines	2' x 2' x 1'	25 lbs.
Televisions	2' x 2' x 2'	50 lbs.

Section 3 - Exceptions

This section shall consist of any exceptions the Offeror has to the terms or conditions of the solicitation. Offerors are reminded that exceptions to the solicitation are discouraged because they may result in the proposal being determined to be a nonconforming counteroffer. Any exceptions

to the terms or conditions of the solicitation shall only be addressed in the event discussions are held. However, the Government reserves the right to award an initial proposals and, therefore, not conduct discussions. Offerors shall be aware that the appropriate time to request clarifications or exceptions to the terms and conditions of the contract as set forth in the RFP, is during the proposal preparation stage before the proposal due date.

L.8 TECHNICAL QUESTIONS (EP 52.215-110) (APR 1984)

Offerors must submit all technical questions concerning this solicitation in writing to the contract specialist. EPA must receive the questions no later than 15 calendar days after the date of this solicitation. EPA will answer questions which may affect offers in an amendment to the solicitation. EPA will not reference the source of the questions.

L.9 RELEASE OF COST OR PRICING PROPOSALS OUTSIDE THE GOVERNMENT FOR AUDIT (EP 52.215-115) (MAR 1989)

Cost or pricing proposals submitted in response to this solicitation may be released outside the Government for audit purposes regardless of whether information contained in such proposals has been claimed or determined to be business confidential. If an outside audit is obtained, the non-Government auditor shall use the information only for audit purposes; shall not disclose any information in the proposals to anyone other than authorized EPA employees without the prior written approval of the Assistant General Counsel responsible for information law matters; and shall return all copies of proposals, as well as any abstracts, to the Government upon completion of the audit. The non-Government auditor shall obtain a written agreement from each of its employees with access to the proposals to honor these limitations prior to allowing the employee access.

L.10 IDENTIFICATION OF SET-ASIDE/8A PROGRAM APPLICABILITY (EP 52.219-100) (FEB 1991)

This new procurement is being processed as follows:

(a) Type of set-aside: Small Business

Percent of the set-aside: Total

(b) 8(a) Program: Not Applicable

L.11 COMPLIANCE WITH FAR CLAUSE 52.222-43, "FAIR LABOR STANDARDS ACT AND SERVICE CONTRACT ACT - PRICE ADJUSTMENT (MULTIPLE YEAR AND OPTION CONTRACTS)" (EP 52.222-100) (FEB 1994)

Offerors are reminded that in accordance with FAR Clause 52.222- 43, "Fair Labor Standards Act and Service Contract Act - Price Adjustment (Multiple Year and Option Contracts)", offerors must warrant that the prices in this contract for labor categories subject to prevailing wage determinations and collective bargaining agreements do not include allowance for any contingency to cover increased costs for which adjustment is provided under this clause.

Offerors shall not include escalation for direct labor and fringe costs for the option years for these covered labor categories in their proposals. In

accordance with FAR 52.222-43, during contract performance, the contract price or fixed labor rates will be adjusted to reflect the successful offeror's actual increase or decrease in applicable wages and fringe benefits.

SECTION M - EVALUATION FACTORS FOR AWARD

M.1 EVALUATION OF OPTIONS (FAR 52.217-5) (JUL 1990) DEVIATION

Except when it is determined in accordance with FAR 17.206(b) not to be in the Government's best interests, the Government will evaluate offers for award purposes by adding the total price for all options to the total price for the basic requirements. Evaluation of options will not obligate the Government to exercise the option(s).

M.2 EPA SOURCE EVALUATION AND SELECTION PROCEDURES--NEGOTIATED PROCUREMENTS (EPAAR 1552.215-70) (AUG 1999)

(a) The Government will perform source selection in accordance with FAR Part 15 and the EPA Source Evaluation and Selection Procedures in EPAAR Part 1515 (48 CFR Part 1515). The significant features of this procedure are:

(1) The Government will perform either cost analysis or price analysis of the offeror's cost/business proposal in accordance with FAR Parts 15 and 31, as appropriate. In addition, the Government will also evaluate proposals to determine contract cost or price realism. Cost or price realism relates to an offeror's demonstrating that the proposed cost or price provides an adequate reflection of the offeror's understanding of the requirements of this solicitation, i.e., that the cost or price is not unrealistically low or unreasonably high.

(2) The Government will evaluate technical proposals as specified in 1552.215-71, Evaluation Factors for Award.

(b) In addition to evaluation of the previously discussed elements, the Government will consider in any award decision the responsibility factors set forth in FAR Part 9.

M.3 EVALUATION FACTORS FOR AWARD (EPAAR 1552.215-71) (AUG 1999)

(a) The Government will make award to the responsible offeror(s) whose offer conforms to the solicitation and is most advantageous to the Government cost or other factors considered. For this solicitation, all evaluation factors other than cost or price when combined are significantly more important than cost or price. As described in the proposal preparation instructions, EPA will award up to a maximum of three contracts in three different Group classifications: Group A for nationwide coverage; Group B for Eastern U.S. coverage; and Group C for Western U.S. coverage. The Government reserves the right to award less than three contracts per Group.

All proposals for all three Groups will be evaluated in the same manner using the same criteria as described below. The only difference will be the evaluation of the contractor's capabilities to meet the needs of the geographic location for which the offeror proposed. This aspect of the

evaluation will be determined on a pass/fail basis. Either the contractor can or they cannot meet the requirements for the proposed geographic location.

As proposals become more equal in their technical merit, the evaluated cost or price becomes more important. As the technical merit and the evaluated cost or price become essentially equal, other factors may become a determining factor.

(b) Technical Evaluation Criteria:

The technical and price evaluation factors/subfactors are listed below in descending order of importance and will be evaluated as such, with the exception of Factor 2 (Personnel, Corporate Experience and Past Performance). These sub-factors [Personnel (Subfactor 2.1), Corporate Experience (Subfactor 2.2) and Past Performance (Subfactor 2.3)] are considered of equal importance and will be evaluated accordingly. The RFP Section L proposal preparation instructions are hereby incorporated into the Section M evaluation factors identified below.

Technical Factors/Subfactors

Factor 1 - Technical Capability and Approach, Management Approach and Subcontract Organization and Tasking

Subfactor 1.1 - Technical Capability and Approach
Subfactor 1.2 - Management Approach
Subfactor 1.3 - Subcontract Organization and Tasking
Subfactor 1.4 - Sample Task Order

Factor 2 - Personnel, Corporate Experience and Past Performance

Subfactor 2.1 - Personnel
Subfactor 2.2 - Corporate Experience
Subfactor 2.3 - Past Performance

Price Factor - Price Reasonableness, No subfactors.

Factor 1 -

1.1 Technical Capability and Approach:

The offeror must present their technical capability and approach by addressing all tasks for each work area as described in the Statement of Objectives (SOO). The offeror will be evaluated for appropriateness, completeness and overall quality of the methodology and proposed approach to accomplish the tasking areas delineated in the SOO. EPA will evaluate the substance of the proposal, not the presentation style.

1.2 Management Approach:

Offerors will be evaluated on their understanding of and approach to managing and coordinating multi-site, multi-task initiatives involving diverse labor requirements, geographic location challenges, and/or use of subcontracting to

accomplish the tasking requirements as described in the SOO. EPA will evaluate the proposed methods, procedures and practices which will be implemented by the offeror to: strengthen, manage and utilize resources; address and resolve problems; control cost; ensure timeliness and customer satisfaction; enhance communication between the customer and the company; **provide accurate reporting and tracking**; and maintain a high level of quality services while ensuring economy and efficiency to the Government. Offerors will be evaluated for appropriateness, completeness and overall quality of its proposed program, contract/subcontract approach, personnel management policies and practices, and the quality control to support the general management of the contract.

1.3 Subcontract Organization and Tasking:

Offerors will be evaluated on their ability to demonstrate a viable subcontract organization approach, effective communication tools between the company and proposed subcontractors, the proposed approach for assigning specific tasking requirements to subcontractors, and the ability to foresee and avoid conflicts or problems due to separate management and/or responsibilities. Offerors will be evaluated on their proposed process for handling poor performance by subcontractors and identifying and resolving conflicts and problems between subcontractor(s) and the prime contractor.

1.4 Sample Task Order:

The offeror will be evaluated on their technical approach for addressing the requirements of the sample task order as it relates to the requirements of the SOO. The offeror will be evaluated for appropriateness, completeness and overall quality of the methodology and proposed approach to accomplish the requirements of the sample task order.

Factor 2 -

2.1 Personnel:

The offeror will be evaluated on their submittal of the organizational chart and resumes referenced in Section L and the extent to which the knowledge, capability, and qualifications of proposed personnel are relevant to the requirements of the SOO.

2.2 Corporate Experience:

The offeror will be evaluated on their demonstrated corporate experience in managing and coordinating multi-tasks and multi-disciplinary contracts that are similar in scope and complexity to the requirements described in the SOO, including the offeror's demonstrated experience in resolving problems similar in nature to those expected under this contract.

2.3 Past Performance:

The offeror will be evaluated on past performance under existing and prior contracts for services and supplies similar in scope, magnitude and complexity to this requirement. Past performance will also be used for the responsibility determination. An offeror's past performance will be evaluated for the following areas:

1) Quality of service provided;
2) Timeliness of performance;
3) Effectiveness of management (including subcontractors);
4) Compliance with price estimates;
5) Customer satisfaction; and
6) Overall performance.

(c) Technical Evaluation Scoring

The following scoring adjectives will be used as general guidance in assessing each technical factor and subfactor as well as the technical proposal as a whole:

"Outstanding"	O	Significantly exceeds (meets) and/or addresses most or all of the elements of the evaluation factor. Response exceeds a "Excellent" rating. The Offeror has clearly demonstrated an understanding of all aspects of the requirements to the extent that timely and highest quality performance is anticipated.
"Above Average"	AA	Fully meets all of the elements of the evaluation factor and exceeds many of the elements of the evaluation factor. Response exceeds an "Acceptable" rating. The areas in which the Offeror exceeds the requirements are anticipated to result in a high level of efficiency or productivity or quality.
"Average"	A	Meets all of the elements of the evaluation factor. Complete, comprehensive, and exemplifies an understanding of the scope and depth of the task requirements as well as the Offeror's understanding of the Government's requirements.
"Marginal"	M	Less than "Acceptable". There are some deficiencies in the technical proposal. However, given the opportunity for discussions, the technical proposal has a reasonable chance of becoming at least "Acceptable". (Areas of the technical proposal which remain "marginal" after revised proposals (if applicable) shall not be subject to further discussion or revision.) If award is made on initial offers, there will not be an opportunity for discussions, nor a chance to become at least "Acceptable".
"Unacceptable"	U	Technical proposal has many deficiencies and/or gross omissions: Failure to understand much of the scope of work necessary to perform the required tasks; failure to provide a reasonable, logical approach to fulfilling much of the

government's requirements; failure to meet many personnel requirements in the solicitation. (When applying this adjective to the technical proposal as a whole, the technical proposal must be so unacceptable in one or more areas that it would have to be completely revised to attempt to make it other than unacceptable.)

ATTACHMENT 1

INTERESTED CONTRACTOR LIST

Interested Contractor List **3/19/2004**

1. Service Source, Inc.
Attn: Lisa Ward
6295 Edsall Road; Suite 175
Alexandria, VA 22312-2670
(703) 461-6142
lward@ourpeoplework.org
www.ourpeoplework.org

2. Batson Tool Corp.
Attn: Ed Batson
1025 N. McQueen Rd #158
Gilbert, AZ 85233
(480) 813-9015
ed@batsontool.com

3. Titan Technologies, Inc.
Attn: Josef Strauss
9131 College Pkwy
Suite B 13 Box 218
Fort Myers, FL 33919
(954) 328-5898
www.recycletechtitan.com

4. Asset Conversion Specialists, Inc
Attn: Grady Simmons
7151 S. Harl Ave
Tempe, AZ 85283
(480) 775-2590
(480) 775-2572 (f)

5. Texas Mgt Associates Inc.
Attn: Bob Parks
Attn: Steve Doneghy
9107 Marbach Road, Suite 225
San Antonio, Texas 78006
(210) 673-8422
(210) 673-3622 (f)

6. Adelante Facilities Support Services

Attn: Paul Lutrell
5400 San Mateo Blvd Ste A
Albuquerque, NM 87109
(505) 888-5746, (b) (6)
(505) 884-3776 (f)
pluttrell@goadelante.org

7. Per Scholas, Inc.
Recycling Services
Attn: Edward C. Campbell
1231 Lafayette Ave.
Bronx, NY 10474
(718) 991-8400, (b)
(718) 991-0362 (f)
www.perscholas.org

8. Supreme Computer & Electronics Recycling, Inc.
Attn: Edward Campbell
1955 Swarthmore Ave., Units 4-5
Lakewood, NJ 08701
(732) 370-4100
(732) 370-5116 (f)
ed@supremerecycling.com
www.supremerecycling.com

9. Lodestar Recovery, Inc.
Attn: Christopher D. Seamon
PO Box 1709
High Point, North Carolina 27261
(336) 454-3624
(888) 740-3240 (f)
Lodestar5@msn.com

10. RRT Design & Construction
Attn: David H. Weitzman
125 Baylis Road,
Melville, New York 11747-3895
(631) 756-1060
(631) 756-1064 (f)
info@rrtenviro.com
http://www.rrtenviro.com

11. AWE*SUM Computers, Inc.
Attn: Art Ellis
918 Sharpless Road
Hockessin, DE 19707
(800) 494-6373
(302) 994-3069 (f)
artellis@awesum.com

12. Creative Recycling Systems, Inc.
Attn: Mark Proctor
P.O. Box 19120
Tampa, Florida 33686-9120
(800) 797-2061
(813) 626-1248 (f)
proctor@crserecycling.com
www.crserecycling.com

13. Reclamere, Inc.
Environmental Solutions for a Digital World
Attn: Joseph P. Harford
905 Pennsylvania Avenue
Tyrone, PA 16686
(814) 684-5505
joseph@reclamere.com
www.reclamere.com

14. Compliant Recycling Systems, LLC.
Attn: Michael Casey
2655 Oakley Park Road, Suite 100
Walled Lake, MI 48390-1418
(248) 960-7251
Michael.Casey@comprecycle.com
www.comprecycle.com

15. Envirocycle, Inc.
Attn: Patty Bonivita
P.O. Box 899
Rte. 81 Exit 230
Hallstead, PA 18822
(570) 879-2862 (b) [redacted]
(570) 879-2008 (f)

www.enviroinc.com

16. United Recycling Industries, Inc.
Attn: Lauren Roman
170 Flanders-Drakestown Road
Flanders, NJ 07836
(973) 584-8859
(973) 584-8728 (f)
Lroman@unitedrecycling.com
www.unitedrecycling.com

United Recycling Industries
Attn: Lauren S. Roman
3700 North Runge Avenue
Franklin Park, IL 60131
(847) 455-8800
(847) 455-3232 (f)
www.unitedrecycling.com

17. Loureiro Engineering Associates, Inc.
Attn: Margaret M. Averill, L.E.P.
100 Northwest Drive
Plainville, CT 06062
(860) 747-6181
(860) 747-8822 (f)
mmaverill@loureiro.com
www.loureiroengineering.com

18. Allied Electronic Recovery
Attn: Andre' Weiglein
2354 Davis Avenue
Hayward, CA 94545
(510) 300-0500 (b) [redacted]
Andre@AerXchange.com
www.AerXchange.com

19. Micro Metallics Corporation
Attn: Scott Pencer
1695 Monterey Road
San Jose, CA 95037
(408) 998-4930 (b) (6) [redacted]
(408) 998-5033 (f)
pencers@micrometallicscorp.com

20. Technology Conservation Group
Attn: Tim Russell
1510 North Meadowcrest Blvd
Crystal River, FL 34429
(352) 564-1102

Technology Conservation Group
Attn: Douglas Blackley
(352) 564-1102 (b) [redacted]
dblackley@wanttcg.com
www.wanttcg.com

(352) 794-7633 (f)
trussell@wanttcg.com (352) 564-1102 x229

21. Blue Eagle Industries, Inc
Attn: David Thornton
2536 Youngs Drive
Haymarket, Va 20169
(703) 753-3206
(703) 832-4852 (f)
dave@blueeagleindustries.com
www.blueeagleindustries.com

22. Wade Environmental
Attn: Andrew L. Wade
382 Jackson Road
Atco, NJ 08004
Wadeenviro@aol.com

23. Freedom Recycling, Inc.
Attn: Lisa Collins
18238 Showalter Road
Hagerstown, MD 21740
(301) 665-9169
www.freedomrecycling.com

24. Recycle America Alliance
Attn: Paul Woyciechowski
1000 Ritchie Road
Capitol Heights, MD 20743
(310) 499-1707
pwoyciec@wm.com

25. Liquidity Services, Inc
Attn: Jaime Mateus-Tique
2131 K Street NW, 4th Floor
Washington, DC 20037
(202) 467-6868
(202) 467-4030 (f)
www.liquidityservicesinc.com

26. Integrated Logistics Services, Inc.

Attn: Eric Dahlin
1812 Boxelder St
Louisville, CO 80027
(303) 673-0002
(303) 673-9944 (f)
www.ilsicorp.com

27. Spacefitters, Inc.
Attn: Jennifer Bowns
7055 Troy Hill Drive, Suite 100
Elkridge, MD 21075
(410) 379-6513
jbowns@spacefitters.com
www.spacefitters.com

28. Total Reclaim/EcoLights NW
Attn: Craig Lorch
P.O. Box 24996
Seattle, WA 98124
(206) 343-7443
(206) 343-7445 (f)
clorch@totalreclaim.com
www.totalreclaim.com

29. Quicksilver Recycling Services
Attn: Mike Flynn
8509-C SUNSTATE ST.
Tampa, FL 33634
www.quicksilverrecycling.com

30. Technology Recycling
Attn: Jerry Costello
4600 South Ulster, Suite 700,
Denver, CO, 80237-2882.
(303) 766-9608
(303) 766-4503 (f)
www.techrecycle.com

31. Connecting Point
Attn: Rodney Sappington
New York, NY

(212) 545-7575
(212) 545-7077
rodney@cpmmonline.com

32. Berville Inc.
Attn: Paul Gidlund
322 Berthoud Way
Golden, CO 80401
(303) 278-3800

33. TEK Systems Government Services
Attn: Steve Riggin
7437 Race Road
Hanover, MD 21076
(410) 540-7960
(410) 540-7809 (f)
sriggin@teksystems.com
www.teksystems.com

34. AnythingIT, Inc
Fort Lee Executive Park
One Executive Drive, Suite 170
Fort Lee, New Jersey 07024
(201) 490-7366
(201) 490-7379 (f)
paulb@AnythingIT.com
www.AnythingIT.com

35. E Recycling
Attn: Carl Shallig
7230 Petterson Lane
Paramount, Ca 90723
(562) 634-8372
(562) 634-8029 (f)

36. Philip Services Corporation
Attn: Marc McReynolds
(800) 228-7872 x6144 (voice mail)
(b) (6) [redacted] (direct)
mmcreynolds@contactpsc.com
www.contactpsc.com

37. Odysseus International LLC
Attn: Stephen Briggs
333 Maple Avenue East, PMB 1045
Vienna, VA 22180.
(703) 281-6147
(703) 281-6148 (f)

38. Atlantic Technology Group
Attn: Dan Connelly
4603 Calvert Road
College Park, Md. 20740
(301) 924-0182
(240) 363-0202 (f)

39. Global Investment Recovery, Inc.
Attn: David Ritter
5409 East Henry Ave
Tampa, FL, 33610
(800) 886-8086
www.girpreciousmetals.com

40. NISH Arlington Texas, South Central Region of DC Headquarters
Goodwill Industries of San Antonio, TX
Attn: Walter Kramer
2701 Avenue E East, Suite 402
Arlington, TX 70611-5242
(800) 962-9684
wcramer@nish.org

41. E-Structors, Inc.
Attention: Mike Keough
7742 Sandstone Court
Ellicott City, MD 21043
(410) 379-3098
mkeough@integratedwaste.com

42. Scientific Recycling Inc.
Attn: Andy Niles
659 Commerce St.
Holmen, Wi. 54636

(800) 917-1969
(608)526-4135 (f)
SRI659@aol.com
www.scientificrecycling.com

43. Metech International
Attn: Marc Koskinas
PO Box 500
Mapleville, RI 02839-0500
(401) 568-0711
(401) 568-6003 (f)
mkoskinas@metech-arm.com
www.metech-arm.com

44. Nxtcycle Corporation
Attn: Tony Hainault
1640 S Stapley Dr, Suite 205
Mesa, AZ 85204
(602) 442-7900
(602) 442-7901 (f)
www.nxtcycle.com
thainault@nxtcycle.com

45. Transformer Connections
Attn: Joann Ward
(919) 719-2111

46. Tycoon International
Attn: Adam Cheng
Houston, TX

47. Databased Solutions Inc.
Attn: Melvin Hardie
100 Jersey Avenue, Suite B-201
New Brunswick, NJ 08901-3200
(732) 418-9452 (b)
(732) 875-0371 (f)
melvin@db-solution.com
www.db-solution.com

48. Concurrent Technologies Corporation (CTC)

Attn: Jim Voytko
7935 114th Avenue
Largo, Florida 33773-5026
(727) 549-7006
(727) 549-7255 (f)
voytkoj@ctc.com
www.ctc.com

49. New Millennium IT Solutions and Inland Oceanic Logistics
Attn: Bradley Williams
7126 Surrey Pt.
Alpharetta, GA 30004
will427@mindspring.com

50. Recycle America Alliance - eCycling Services
A Subsidiary of Waste Management, Inc.
Attn: Joe Aho
25 North 47th Avenue
Phoenix, AZ 85043
(602) 269-0572
(866) 588-0572
jaho@wm.com
www.wm.com/recycling/arg

51. Bridgepointe Goodwill Industries and Easter Seals
Attn: Caren L. Marshall
CEO 1329 Applegate Lane
Clarksville Indiana 47129
(812) 283 7908
Cmarshall@bridgeointe.org

52. Gold Circuit, Inc.
Attn: Steve Forbes
210 S. Beck Ave.
Chandler, AZ 85226
(480) 829-0404
(480) 968-5779 (f)
stevef@goldcircuit.com

53. Regional Computer Recycling
Attn: Charles A. McKernan, Jr.

(585) 546-6620 (b) (6)
(888) 563-1340 (b) (6) (toll free)
(585) 546-6624 (f)
info@ewaste.net
http://www.ewaste.net

54. Pennsylvania Federal Property Division
Attn: Scott E. Pepperman
2221 Forster Street
P.O. Box 1365
Harrisburg, Pa. 17105
(717) 787-9724, (b) (6)
(717) 772-2491 (f)

55. Metech International
Attn: Chris Ryan
(978) 772-4897
(978) 772-5440 (f)
cryan@metech-arm.com
www.metech-arm.com

56. SDS National, LLC
Attn: Andrew W. Weiss
19 Colonial Drive, Ste 26
Youngstown, OH 44505
(330) 759-8396
(330) 759-1940 (f)
(b) (6) (m)
sdsnational@ameritech.net

57. We-Recycle, Inc.
Attn: Mike Schum, P.E.
Connecticut
(877) 937-3292
(203) 630-2429 (f)
www.we-recycle.net

58. Environmental Services & Disposal, Inc
Gold Circuit
Attn: Bob Moore
P.O. Box 2856

Chandler, AZ 85244
(602) 531-0287

59. Global Investment Recovery
Attn: Patricia Frank
Tampa, FL
(800) 866-8086
pfrank@girpm.com
www.girpreviousmetals.com

60. Image Micro Group, Inc.
Attn: Butch Watson,
(512) 531-6642
butch_watson@imagemicro.com
www.imagemicrosystems.com

61. Relyco Sales, dba Recyclfirst
Attn: Lee Snyderman
(770) 984-9162
(603) 516-7333 (f)
lsnyderman@recyclefirst.com
snyderml@bellsouth.net

62. Boris Peters Associates International,
BPAI, LLC
Attn: Ron Rosoff
901 Curtain Avenue
Baltimore, MD 21218
(410) 662-6380
bpeters@bpaillc.com

63. Joy Systems, Inc
Attn: MyeungJouh (MJ) Woo
25 Saddle River Ave
South Hackensack, NJ 07606
(973) 574-1215
(973) 249-7415 (f)
(973) 836-0413 (e-f)
(b) (6) [redacted] (m)
mj@joysystems.com
www.JoySystems.com

Joy Systems Inc.
Attn: Frank Giovacco
25 Saddle River Ave
South Hackensack, NJ 07606
(973) 890-0200
(b) (6) [redacted] (m)

64. National Acquisitions
The Nextrend/ At Discount.Com
Attn: Conley Stroud
(714) 689-2335 (b) (6)
(888) 426-2914 (b) (6)
(714) 689-2360 (f)

65. PC Salvage, LLC
Attn: Mark Bracking
3627 South 54th Street
Tacoma, WA 98409
(253) 460-8322
pcsalvage@qwest.net
www.allaboutpcsalvage.com

66. Hitech Liquidation LLC
Attn: Kunle Eboda
4712 Norbeck Road
Rockville MD 20853
(240) 475-2234
www.hitech-liquidation.com

67. Accu-Shred Limited
Attn: Garry Jones
(905) 670-7700
gjones@accu-shred.com
www.accu-shred.com

68. Commodity Resource & Environmental, Inc
Attn: Larry DeWitt
116 E. Prospect Avenue
Burbank, CA 91502
(818) 843-2811
(818) 843-2862 (f)
dewittcre@prodigy.net
www.creweb.com

69. BR Technology, LLC
Attn: Joseph E Pothier
1501 Zephyr Avenue
Hayward, CA 94544

(510) 475-5502
joep@brtechnology.com

70. IMS Recycling Services
Attn: Ed Siegel
2697 Main St.
San Diego, 92113
(619) 231-2521
(b) (6) [redacted] (m)
eds@imsrecyclingservices.com

71. Westech Recyclers, Inc.
Attn: Earl Knudsen
1008 W Madison
Phoenix, AZ 85007
(602) 256-7626
(602) 252-6098 (f)
earl@westechrecyclers.com

72. Computer Discounters Wholesale, Inc
Attn: Jerome Haden
5416 Veterans Highway
Metairie, LA. 70003
(504) 454-7143
jerome@computersofmexico.com

73. Retrofit Recycling Inc.
Attn: Pete Septoski
2156 South Lynhurst Drive
Indianapolis, IN, 46241
(317) 381-0628
(317) 381-0638 (f)
(b) (6) [redacted] (m)
pseptoski@retrofitcompanies.com
www.retrofitcompanies.com

74. Valley City Environmental Services
Attn: David Perry
1040 Market Street, SW
Grand Rapids, MI 49503
(616) 235-1500

(616) 235-9507 (f)
dperry@email.valleycityes.com
www.valleycityes.com

75. Computer Recyclers of America
Attn: Bob Erie
1390 Engineer St.
Vista, CA. 92081
(760) 599-9131
(760) 599-9114 (f)
berie@crasd.com
www.crasd.com

76. HOBI International, Inc.
Attn: Craig Boswell
cboswell@hobi.com
www.hobi.com

77. Intercon Solutions, Inc.
Attn: Mr.Stuart Neiman, LPG
2s053 Valley Rd
Lombard, IL 60148
AmerEnvCon@comcast.net

78. MOLAM International Inc.
Attn: Nader Nejad
925 Industrial Park Drive
Marietta, GA 30062 USA
(770) 420-5202
(770) 420-5216 (f)
nader@molam.net
www.molam.net

79. Nova Terra, Inc.
Attn: Edwin Torres
PO Box 142137
Arecibo PR 00614-2137
Physical Address: Road no. 655 Km 1.0, Port of Arecibo, Arecibo, PR. 00612
(787) 817-4327

(787) 817-4321 (f)
recycle@novaterrapr.com
etorres@novaterrapr.com
www.novaterrapr.com

80. Electronic Recyclers Inc.
Attn: Tim Sikora
1919 N. 11th St
Omaha, Ne. 68110
(402) 408-0053
(402) 932-9075 (f)
(b) (6) (m)
(b) (6)

81. RetroBox
Attn: Mr. Dave Ryan
1159 Dublin Road
Columbus, Ohio 43215
(614) 485-4805
dryan@retrobox.com

82. Kinsbursky Brothers Inc
Attn: Paul Schneider
125 E. Commercial
Suite A
Anaheim, CA 92801
(714) 738-8516
p.schneider@kinsbursky.com

83. Golden State Metals
Attn: Mike Gold
P.O. Box 70158
Bakersfield, CA 93387
(661) 587-7674
(b) (6)

84. Adams Steel
Attn: Betsey Meyer
7668 El Camino Real

Suite 104, Box 601
Carlsbad, CA 92009
(714) 448-2143
(b) (6) [redacted]

85. Gsan, Inc.
Greg Sandoval
P.O. Box 1355
Gainesville, GA 30503-1355
(770) 503-9900 x23
(770) 503-7447 (f)
greg@gsan.net
www.gsan.net

86. S.E.E.R.
Attn: Ben Ashby
6902 7th Ave. E.
Tampa, Fl. 33619
(813) 621-8870
(813) 621-5457 (f)
bashby@seerrecycling.com
www.seerrecycling.com

87. Subtractions, LLC
Attn: Sarah Manning
7202 Mink Hollow Road
Highland, Md. 20777
(301) 362-4000
wilsonmanning@msn.com
www.subtractions.net

88. National Rent-A-Computer
Attn: William Spiller
16192 SW 72nd
Portland, Or. 97224
bill@nationalrentacomputer.com

89 The NTC Group, Inc.
Attn: La'Tanya R. Sam

(770) 590-1011
(770) 590-0511 (f)
Lsam@ntcgroup.com

90. MRSW Management, LLC
Attn: Melvin White
P.O. Box 6941
Austin, TX 78762-6941
dgw@texas.net

91. Midwest Electronic Recovery
Attn: Brian Glynn
100 3rd St. North
PO Box 500
Walford, IA 52351-5416
(319) 845-2001
(319) 845-2002 (f)
bglynn@mcbia.com
www.ewasterecycle.com

92. Asset Recovery Corporation
Attn: Ryan Laber
150 State Street
St Paul, MN 55107
(651) 602-0789
(800) 472-2081 (toll free)
(651) 602-0202 (f)
rlaber@assetrecoverycorp.com

93. Supply-Chain Services, Inc. (SSI)
Attn: Jade Lee
250 W. North Ave.
Lombard, IL 60148
(630) 629-9344, (b)
(630) 629-9345 (f)
jadelee@supply-chainservices.com
www.supply-chainservices.com

94. AdamsMorgan Group

Attn: Sharon K. Belle
5715 Castle Hill Drive, # 823
Indianapolis, IN 46250-5607
(317) 594-8694
skbelle@adamsmorgangrp.com
www.AdamsMorganGRP.com

95. Waste Management & Recycling Products
Attn: Peter Bennison
510 Hudson St.
Schenectady, NY 12308
(518) 377-9900
(518) 377-8800 (f)
pfbennison@electronicsrecycler.com
www.electronicsrecycler.com

96. Indian Territory Associates
Attn: Jeff Davis
2701 Liberty Parkway, Suite 335
Midwest City, OK 73110
(405) 737-2676
(b) (6) [redacted] (m)
jeff@acorngrowthcompanies.com

97. Green-Tech Assets, Inc.
Attn:Robert J. Petrosini
20 Mill Street
Cumberland, RI 02864
(203) 268-3885
(203) 268-7262 (f)
RJP@greentechassets.com
www.greentechassets.com

98.ePC
Attn: Phil Alfaro
1616 Perrino Place
Los Angeles, CA 90023
(415) 541-5346
(b) (6) [redacted] (m)

(323) 980-1000 x103 (LA Office)
phil@epc-eol.com
www.epc-eol.com

99. 5R Processors, Ltd.
Attn: Karen Birkenstock
121 West Centre Stage Drive
Clinton, TN 37716
(865) 457-1621 (Clinton, TN)
(901) 546-0088 (Memphis, TN)
kbirkentock@tornrc.com

100. ICT Environmental
Attn: Brendan Carey
542 East 27th Street
Tucson, AZ 85713
(520) 294-5992
(520) 294-0506 (f)
bcarey@ictworld.com

101. MegaTron Computer Services and Consulting
Attn: Melvin Williams
18455 Miramar Parkway # 207
Miramar, FL 33029.
(888) 431-8007
megatroncomputer@bellsouth.net
www.megatroncomputer.com

102.Goldsmith Group Inc.
Attn: Eric Goldsmith
(317) 545-4747
(317) 377-7077 (f)
(b) (6) [redacted] (m)
www.goldsmithgroup.com
www.usedprinters.com

103. Lifecycle Business Partners
Attn: Michael Magliaro
3 Industrial Way

Salem, NH 03079
(603) 894-4332
(603) 894-0046 (f)
mmagliaro@lifecyclepartners.com

104.Direct Access International
Attn: Mitchell Fine
(800) 811-7383
mfine@directaccessintl.com

105. Waste Alternatives, Inc.
Attn: Kelly Chubb
PO Box 70
Mount Vernon, OH 43050
740-397-7675
740-397-7649 (f)
kchubb@ecr.net or wastealt@ecr.net

106.Chesapeake Electronic Recycling
Attn: Ed Shank
(866) 946-6602
eshank@chesapeakerecycling.com

107. A GreenSpan Computer Recycling
Attn: Terry A Boring, Sr
201 N Braddock Avenue
Pittsburgh, PA 15208
(866) 904-7726
(412) 377-6071
agreenspan1@earthlink.net

108. VECOPLAN, LLC
Attn: Len Beusse
PO Box 7224
High Point, NC 27264
(336) 861-6070
lbeusse@vecoplanllc.com

109. Eagle Ridge Engineering Corporation

Attn: Albert Wallace
8295 South Krameria Way
Centennial, CO 80112-3004
(303) 877-5776
(720) 529-8345 (f)
alwallace@qwest.net

110. Bizmarts: Business Equipment Resellers
Attn: Richard Pressl
222 White Eagle Drive,
P.O. Box 344
Waleska, GA, 30183
(770) 345-4663
(775)244-1458 (f)
(b) (6) [redacted] (m)
bizmart@alltel.net

111. Earth Protection Services, Inc.
Attn: John M. Chilcott
P.O. Box 23820
Phoenix, AZ 85063-3820
(602) 353-9282
(602) 353-9285 (f)
(b) (6) [redacted] (m)
recpro@cyberspeedway.net
www.earthpro.com

112. Maxus Technology, Inc.
Attn: Andy Weberg
18300 Sutter Blvd.
Morgan Hill, CA 95037
(866) 580-0000
(866) 580-0600 (f)
aweberg@maxustech.com

113. Teltronics Inc.
Attn: Newell Welch
68 Kenmore St.
Harrisonburg,Va.22801

(540) 434-5251
teltronics@planetcomm.net
http://biz.planetcomm.net/teltronics

114. Reliable Recycling, Inc.
Attn: Scott Huffman
700 60th Ave. SW
Cedar Rapids, Iowa 52404
Reliablerecycle@aol.com

115. Edex Systems
Attn: Eddie Liang
111 W 7th Street
Vancouver, Wa 98660
(360) 750-7462
(360) 750-9767 (f)
edexsyms@hotmail.com

116. Clean Harbors
Attn: Michael Wiles
325 Wood Road
Braintree, MA 02184
(781) 849-1800, 5187
(781) 794-3850 (f)
wilesm@cleanharbors.com
www.cleanharbors.com

117. CompuTel IG, LLC
Attn: Brett Rhinehardt
515 West Palmer Street
Charlotte NC 28203
(704) 376-1116
(704) 333-0504 (f)
brett@computelig.com

118. Computer Recycling of Virginia, Inc.
Attn: Chris Parkhurst
P.O. Box 66
Millers Tavern, Va 23115

(804) 443-0660
chris@recycle4va.com

119. 5R Processors, Ltd
Attn: Victor may
N5779 White Street
PO Box 218
Glen Flora, WI 54526
B(715) 322-5100
F(715) 322-5115

120. ITExpeditors
Christopher Frasier
41 Industrial Drive
Exeter, NH 03833
Tel. +603.772.3940
Fax.+603.772.3077
chris@itexpeditors.com

121. Melvin White, President
MRSW Management, LLC
PO Box 6941
Austin, TX 78762-6941
(512) 322-2347 Office
(b) (6) [redacted] Mobile
(512) 322-2360 Fax
email:mrswman@swbell.net
Website: http://www.mrswmanagement.com

122. Ken Clark
MARC 5R, Ltd.
2445 Stone Mountain Lithonia Road
Lithonia, GA 30058
Phone: 770-482-1744
Fax: 770-482-1837
Web site: www.marc5r.com
email: kenc@marc5r.com

123. David Beschen

GreenDisk Inc.
Phone 425.883.9165
Fax 425.883.0425
dbeschen@greendisk.com

124. Dan Connelly
Atlantic Technology Group
9125 Industrial Court
Gaithersburg, Md. 20877
dan@atlantictechnologygroup.com
301-330-6260(O) (Please note the new phone #)
703-851-3463 (C)
301-330-6210 (F) (please note the new fax #)
www.atlantictechnologygroup.com

125. Environmental Compliance Enterprises, LLC
Attn: Joseph Engler
PO BOX 81246
LINCOLN, NE 68501-1246
(402) 466-2268

126. Star Asset Recovery
Attn: Greg Mehous
7800 West Gulf To Lake Highway
Crystal River, Florida 34429

127. End of Life Electronics Midwest
Attn: Joseph H. Desautels
11815 Technology Drive.
Fishers, IN 46038
(317)849-7314
(317)313-7555
www.eolemidwest.com
www.jdesautels@eolemidwest.com

128. Walt Grabowski
Business Development Manager
Environmental Recycling
P.O. Box 167

527 East Woodland Circle
Bowling Green, Ohio 43402
800-284-9107 Phone
419-354-5110 Fax
(b) (6) [redacted] Mobile
wgrabowski@envrecycle.com
www.envrecycle.com

129. MRP Co. Inc.
Attn: Tim Mooney
901 W. Ostend Street
Baltimore, MD 21230
Ph: 410 666-2775
Fax: 410 637-8339
E-Mail timmrp@verizon.net

130. Suzanne Johnson Crocker
CDT, LEED 2.0 Accredited Professional
Parsons Brinckerhoff
1831 Chestnut, 7th Floor
St. Louis, MO 63103-2225
Ph: 314-421-1476
Fax: 314-421-5664
www.pbworld.com

131. Retro Box, inc.
Mina Izadi
National Account Manager
1159 Dublin Road
Columbus, OH 43215
Direct: 614-485-4816
Mobile: (b) (6) [redacted]

132. David Chilcott
Pricing Manager
Earth Protection Services, Inc.
800-588-7190
www.earthpro.com
133. 5R Processors, LTD.

web: www.5rprocessors.com
Contact: Karen Birkenstock
Executive Vice President
E-mail: kbirkenstock@tornrc.com
Alt. E-mail: krbirkey@aol.com
PHONE: 901-548-0088 (5R Memphis, TN - Triage location)
PHONE: 865-457-1621 (5R Clinton, TN - Processing Plant)
Cell: (b) (6) [redacted]

134. Dan Connelly, President
Atlantic Technology Group
9125 Industrial Court
Gaithersburg, Md. 20877
301-330-6260(O) (Please note the new phone #)
703-851-3463 (C)
301-330-6210 (F) (please note the new fax #)
www.atlantictechnologygroup.com

135. Computer Recycling Center
Attn: Ken Reiss
536 E. Commercial
Springfield, MO 65803
417-866-2588
computerrecyclingcenter@hotmail.com
www.computerrecyclingcenter.org

136. Sunnking Inc.
Att: Duane Beckett
110 Geddes St
Holley, NY 14470
(585)638-0095
(585)638-0076 Fax
www.sunnking.com

137. Dr. Annette Johnson, PhD.
President/CEO
GIVES Inc.
Phone 303-337-1174
Fax 866-858-7487

www.givesinc.org
Mailing Address only
18121-C E. Hampden Ave PMB 224
Aurora, CO. 80013

138. Mountain Electronics Recycling
Larry Odle
lodle@mountainrecycling.com
303.288.6868

Enclosure 1

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

OFFICE OF
ADMINISTRATION
AND RESOURCES
MANAGEMENT

15 December 2004

Creative Recycling Systems, Inc.
7501 Interbay Blvd.
Attention: Mr. Joseph C. Yob, Jr.
Tampa, FL 33616

Subject: Award Information on Solicitation Number PR-HQ-03-12341

Dear Mr. Yob:

The subject solicitation has resulted in award of the Recycling Electronic and Asset Disposition (READ) Services GWAC, a series of eight (8) contracts. The name, address, and evaluated potential value of the offerors receiving the awards are:

National:

- MOLAM International Inc.
  925 Industrial Park Dr
  Marietta, GA 30062

  Evaluated Cost: $538,267.50

- Supply-Chain Services, Inc.
  250 W. North Ave
  Lombard, IL 0148

  Evaluated Cost: $1,941,632.50

- UNICOR: Federal Prison Industries
  320 1st St, NW
  Washington, DC 20534

  Evaluated Cost: $579,037.50

Eastern:

- Asset Recovery Corporation
  150 State St
  St. Paul, MN 55107

  Evaluated Cost: $2,461,250.00

- Hesstech LLC
  45 Executive Ave
  Edison, NJ 08817

  Evaluated Cost: $2,190,792.50

- Liquidity Services, Inc.
  2131 K Street, NW
  4th Floor
  Washington, DC 20037

  Evaluated Cost: $2,245,067.50

Western:

- Global Investment Recovery, Inc
  540 East Henry Ave
  Tampa, FL 33610

  Evaluated Cost: $2,105,922.50

- HOBI International
  1202 Nagel Blvd.
  Batavia, IL 60510

  Evaluated Cost: $2,227,752.50

For your information, a total of forty-two proposals were received in response to the solicitation. Seventeen proposals were determined to be in the competitive range.

We appreciate your interest in our requirements, as expressed by your proposal. We will consider your organization should future requirements arise for products or services of the type offered by your proposal. However, the Government will not be considering subsequent revisions of your proposal for this procurement. If you desire, you may request, in writing, a formal debriefing during which additional information regarding your proposal will be furnished. No response is required unless you would like to challenge the small business size standard of one of the successful offerors.

If you have any questions or concerns regarding this letter, please contact the undersigned at (202) 564-4767.

Sincerely,

David F. Fuller
Contracting Officer

Joseph C. Yob, Jr.

From: Brunsman.Andrea@epamail.epa.gov
Sent: Wednesday, December 15, 2004 10:38 AM
To: Joseph C. Yob, Jr.
Subject: READ

CRS Letter.PDF (73 KB)

Joe -

We appreciate your interest in our requirements. We will keep your organization in mind for future requirements.

(See attached file: CRS Letter.PDF)

Andrea L. Brunsman
US EPA Contract Specialist
phone: (202)564.9699
fax: (202)565.2560

Creative Recycling Systems, Inc.
7501 Interbay Blvd.
Tampa, Florida 33616
(813) 621-2319 Telephone
(813) 626-1248 Fax

December 22, 2004

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED RESTRICTED DELIVERY
ARTICLE# 7003 1010 0003 9805 3473

Oliver M. Voss
Environmental Protection Agency
1200 Pennsylvania Avenue, N.W.
Washington, DC 20460

RE: Creative Recycling Systems, Inc. Size Status Protest for the United States Small Business Administration's ("SBA") Small Business Set-Aside Program for Represented Contract Award to UNICOR: Federal Prison Industries, 320 1st St, NW, Washington, DC 20534 for the United States Environmental Protection Agency's Represented Contract Award for Procurement Number PR-HQ-03-12341 dated March 19, 2004 with Amendment/Modification No. PR-HQ-03-12341/0001 with Effective Date 04/01/04 ("EPA PR-HQ-03-12341-0001")

1. Summary of Protest: Creative Recycling Systems, Inc. ("CRS") protests, under the provisions of 48 CFR Chapter 1, Federal Acquisition Regulation ("FAR") Sections 19.302 and 33.101, a represented award letter from David F. Fuller (representing himself to be a "Contracting Officer") which was sent via e-mail and dated 15 December 2004 from the United States Environmental Protection Agency, Office of Administration and Resources Management (No Address), Washington, DC, 20460, Subject: Award Information on Solicitation EPA HQ-03-12341 sent to Creative Recycling Systems, Inc. ,7501 Interbay Blvd., Attention: Joseph C. Yob, Jr., Tampa, Florida, 33616, a copy of which is enclosed as Enclosure 1, also referred to in this document as "Award." CRS specifically makes a Size Status Protest for SBA's Small Business Set-Aside Program for EPA PR-HQ-03-12341-0001 ("Protest"), as well as a request for a Size Status Determination ("Size Determination") by the SBA for a contract represented by Mr. Fuller as awarded to UNICOR: Federal Prison Industries, 320 1st St NW, Washington, DC, 20534 ("UNICOR") as stated in Enclosure 1. CRS specifically protests the award of a contract to UNICOR for EPA PR-HQ-03-12341-0001on the basis that UNICOR either did not certify itself to be a Small Business or is, in fact, not a Small Business for the purposes of EPA PR-HQ-03-12341-0001. An oral Size Status Protest of the Award was made by the undersigned via telephone to Oliver M. Voss' voice mail on December 21, 2004 at 4:00 P.M. after numerous unsuccessful attempts to reach him by telephone were made by the undersigned. We specifically request a ruling by the SBA on whether UNICOR is a Small Business for the purposes of EPA PR-HQ-03-12341-0001. In the event that SBA determines UNICOR is not a Small Business for the purposes of EPA PR-HQ-03-12341-0001, CRS requests that the Award be cancelled for all awardees of EPA PR-HQ-03-12341-0001, including UNICOR, as the specific requirements of 52.219-6 Notice of Total Small Business Set-Aside were not complied with by this Award for Solicitation EPA PR-HQ-03-12341-0001. Additionally, CRS requests an independent review of this Protest by an official above the Contracting Officer.

2. **CRS Standing to Make Protest :** CRS was an offerer to EPA PR-HQ-03-12341-0001 and a receipt of the CRS proposal by EPA is at Enclosure 2. A copy of EPA PR-HQ-03-12341-0001 is at Enclosure 3. The Award letter is at Enclosure 1.

December 22, 2004

RE: Creative Recycling Systems, Inc. Size Status Protest for the United States Small Business Administration's ("SBA") Small Business Set-Aside Program for Represented Contract Award to UNICOR: Federal Prison Industries, 320 1st St, NW, Washington, DC 20534 for the United States Environmental Protection Agency's Represented Contract Award for Procurement Number PR-HQ-03-12341 dated March 19, 2004 with Amendment/Modification No. PR-HQ-03-12341/0001 with Effective Date 04/01/04 ("EPA PR-HQ-03-12341-0001")

3. Facts Submitted with Protest:

a. EPA PR-HQ-03-12341-0001 Section I - Contract Clauses I.1 NOTICE Listing Contract Clauses Incorporated by Reference contains solicitation provisions and/or contract clauses pertinent to this section incorporated by reference the following clause (as well as others):

FEDERAL ACQUISTION REGULATION (48CFR CHAPTER 1)

NUMBER	DATE	TITLE
52.219-6	JUNE 2003	NOTICE OF TOTAL SMALL BUSINESS SET-ASIDE

52.219-6 reads as follows:

52.219-6 Notice of Total Small Business Set-Aside.

As prescribed in 19.508(c), insert the following clause:

Notice of Total Small Business Set-Aside
(June 2003)

(a) Definition. "Small business concern," as used in this clause, means a concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding on Government contracts, and qualified as a small business under the size standards in this solicitation.
(b) General.
(1) Offers are solicited only from small business concerns. Offers received from concerns that are not small business concerns shall be considered nonresponsive and will be rejected.
(2) Any award resulting from this solicitation will be made to a small business concern. (Italics Added)
(c) Agreement. A small business concern submitting an offer in its own name shall furnish, in performing the contract, only end items manufactured or produced by small business concerns in the United States or its outlying areas. If this procurement is processed under simplified acquisition procedures and the total amount of this contract does not exceed $25,000, a small business concern may furnish the product of any domestic firm. This paragraph does not apply to construction or service contracts.

(End of clause)

b. FAR Subpart 19.3- Determination of Small Business Status for Small Business Programs

19.301 Representation by the offeror.

(a) To be eligible for award as a small business, an offeror must represent in good faith that it is a small business at the time of its written representation. An offeror may represent that it is a small business concern in connection with a specific solicitation if it meets the definition of a small business concern applicable to the solicitation and has not been determined by the Small Business Administration (SBA) to be other than a small business.
(b) The contracting officer shall accept an offeror's representation in a specific bid or proposal that it is a small business unless (1) another offeror or interested party challenges the concern's small business

representation or (2) the contracting officer has a reason to question the representation. Challenges of and questions concerning a specific representation shall be referred to the SBA in accordance with 19.302.
(c) An offeror's representation that it is a small business is not binding on the SBA. If an offeror's small business status is challenged, the SBA will evaluate the status of the concern and make a determination, which will be binding on the contracting officer, as to whether the offeror is a small business. A concern cannot become eligible for a specific award by taking action to meet the definition of a small business concern after the SBA has determined that it is not a small business.
(d) If the SBA determines that the status of a concern as a small business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, small disadvantaged business, or women-owned small business has been misrepresented in order to obtain a set-aside contract, an 8(a) subcontract, a subcontract that is to be included as part or all of a goal contained in a subcontracting plan, or a prime or subcontract to be awarded as a result, or in furtherance of any other provision of Federal law that specifically references Section 8(d) of the Small Business Act for a definition of program eligibility, the SBA may take action as specified in Sections 16(a) or 16(d) of the Act. If the SBA declines to take action, the agency may initiate the process. The SBA's regulations on penalties for misrepresentations and false statements are contained in 13 CFR 121.108 for small business, 13 CFR 124.501 for 8(a) small business, 13 CFR 124.1011 for small disadvantaged business, 13 CFR 125.29 for veteran or service-disabled veteran-owned small business, and 13 CFR 126.900 for HUBZone small business.

19.302 Protesting a small business representation.

(a) An offeror, the SBA, or another interested party may protest the small business representation of an offeror in a specific offer. However, for competitive 8(a) contracts, the filing of a protest is limited to an offeror, the contracting officer, or the SBA.
(b) Any time after offers are opened, the contracting officer may question the small business representation of any offeror in a specific offer by filing a contracting officer's protest (see paragraph (c) of this section).
(c)(1) Any contracting officer who receives a protest, whether timely or not, or who, as the contracting officer, wishes to protest the small business representation of an offeror, shall promptly forward the protest to the SBA Government Contracting Area Office for the geographical area where the principal office of the concern in question is located. (2) The protest, or confirmation if the protest was initiated orally, shall be in writing and shall contain the basis for the protest with specific, detailed evidence to support the allegation that the offeror is not small. The SBA will dismiss any protest that does not contain specific grounds for the protest.
(d) In order to affect a specific solicitation, a protest must be timely. SBA's regulations on timeliness are contained in 13 CFR 121.1004. SBA's regulations on timeliness related to protests of disadvantaged status are contained in 13 CFR 124, Subpart B. (1) To be timely, a protest by any concern or other interested party must be received by the contracting officer (see paragraphs (d)(1)(i) and (ii) of this section) by the close of business of the 5th business day after bid opening (in sealed bid acquisitions) or receipt of the special notification from the contracting officer that identifies the apparently successful offeror (in negotiated acquisitions) (see 15.503(a)(2)(i) A protest may be made orally if it is confirmed in writing either within the 5-day period or by letter postmarked no later than 1 business day after the oral protest.
(ii) A protest may be made in writing if it is delivered to the contracting officer by hand, telegram, or letter postmarked within the 5-day period. (2) A contracting officer's protest is always considered timely

whether filed before or after award. (3) A protest under a Multiple Award Schedule will be timely if received by SBA at any time prior to the expiration of the contract period, including renewals.
(e) Upon receipt of a protest from or forwarded by the Contracting Office, the SBA will- (1) Notify the contracting officer and the protester of the date it was received, and that the size of the concern being challenged is under consideration by the SBA; and (2) Furnish to the concern whose representation is being protested a copy of the protest and a blank SBA Form 355, Application for Small Business Determination, by certified mail, return receipt requested.
(f) Within 3 business days after receiving a copy of the protest and the form, the challenged offeror must file with the SBA a completed SBA Form 355 and a statement answering the allegations in the protest, and furnish evidence to support its position. If the offeror does not submit the required material within the 3 business days or another period of time granted by the SBA, the SBA may assume that the disclosure would be contrary to the offeror's interests.
(g)(1) Within 10 business days after receiving a protest, the challenged offeror's response, and other pertinent information, the SBA will determine the size status of the challenged concern and notify the contracting officer, the protester, and the challenged offeror of its decision by certified mail, return receipt requested. (2) The SBA Government Contracting Area Director, or designee, will determine the small business status of the questioned bidder or offeror and notify the contracting officer and the bidder or offeror of the determination. Award may be made on the basis of that determination. This determination is final unless it is appealed in accordance with paragraph (i) of this section, and the contracting officer is notified of the appeal before award. If an award was made before the time the contracting officer received notice of the appeal, the contract shall be presumed to be valid.
(h)(1) After receiving a protest involving an offeror being considered for award, the contracting officer shall not award the contract until (i) the SBA has made a size determination or (ii) 10 business days have expired since SBA's receipt of a protest, whichever occurs first; however, award shall not be withheld when the contracting officer determines in writing that an award must be made to protect the public interest.
(2) After the 10-day period has expired, the contracting officer may, when practical, continue to withhold award until the SBA's determination is received, unless further delay would be disadvantageous to the Government. (3) Whenever an award is made before the receipt of SBA's size determination, the contracting officer shall notify SBA that the award has been made. (4) If a protest is received that challenges the small business status of an offeror not being considered for award, the contracting officer is not required to suspend contract action. The contracting officer shall forward the protest to the SBA (see paragraph (c)(1) of this section) with a notation that the concern is not being considered for award, and shall notify the protester of this action.
(i) An appeal from an SBA size determination may be filed by any concern or other interested party whose protest of the small business representation of another concern has been denied by an SBA Government Contracting Area Director, any concern or other interested party that has been adversely affected by a Government Contracting Area Director's decision, or the SBA Associate Administrator for the SBA program involved. The appeal must be filed with the- Office of Hearings and Appeals, Small Business Administration, Suite 5900, 409 3rd Street, SW, Washington, DC 20416 within the time limits and in strict accordance with the procedures contained in Subpart C of 13 CFR 134. It is within the discretion of the SBA Judge whether to accept an appeal from a size determination. If the Judge decides not to consider such an appeal, the Judge will issue an order denying review and specifying the reasons for the decision. The SBA will inform the contracting officer of its ruling on the appeal. The SBA decision, if received before

award, will apply to the pending acquisition. SBA rulings received after award shall not apply to that acquisition.
(j) A protest that is not timely, even though received before award, shall be forwarded to the SBA Government Contracting Area Office (see paragraph (c)(1) of this section), with a notation on it that the protest is not timely. The protester shall be notified that the protest cannot be considered on the instant acquisition but has been referred to SBA for its consideration in any future actions. A protest received by a contracting officer after award of a contract shall be forwarded to the SBA Government Contracting Area Office with a notation that award has been made. The protester shall be notified that the award has been made and that the protest has been forwarded to SBA for its consideration in future actions.

c. FAR 33.103 Protests to the agency.

33.103 Protests to the agency.
(a) Reference. Executive Order 12979, Agency Procurement Protests, establishes policy on agency procurement protests.
(b) Prior to submission of an agency protest, all parties shall use their best efforts to resolve concerns raised by an interested party at the contracting officer level through open and frank discussions.
(c) The agency should provide for inexpensive, informal, procedurally simple, and expeditious resolution of protests. Where appropriate, the use of alternative dispute resolution techniques, third party neutrals, and another agency's personnel are acceptable protest resolution methods.
(d) The following procedures are established to resolve agency protests effectively, to build confidence in the Government's acquisition system, and to reduce protests outside of the agency:
(1) Protests shall be concise and logically presented to facilitate review by the agency. Failure to substantially comply with any of the requirements of paragraph (d)(2) of this section may be grounds for dismissal of the protest. (2) Protests shall include the following information:
(i) Name, address, and fax and telephone numbers of the protester.
(ii) Solicitation or contract number.
(iii) Detailed statement of the legal and factual grounds for the protest, to include a description of resulting prejudice to the protester.
(iv) Copies of relevant documents.
(v) Request for a ruling by the agency.
(vi) Statement as to the form of relief requested.
(vii) All information establishing that the protester is an interested party for the purpose of filing a protest.
(viii) All information establishing the timeliness of the protest. (3) All protests filed directly with the agency will be addressed to the contracting officer or other official designated to receive protests.
(4) In accordance with agency procedures, interested parties may request an independent review of their protest at a level above the contracting officer; solicitations should advise potential bidders and offerors that this review is available. Agency procedures and/or solicitations shall notify potential bidders and offerors whether this independent review is available as an alternative to consideration by the contracting officer of a protest or is available as an appeal of a contracting officer decision on a protest. Agencies shall designate the official(s) who are to conduct this independent review, but the official(s) need not be within the contracting officer's supervisory chain. When practicable, officials designated to conduct the independent review should not have had previous personal involvement in the procurement. If there is an agency appellate review of the contracting officer's decision on the protest, it will not extend GAO's

timeliness requirements. Therefore, any subsequent protest to the GAO must be filed within 10 days of knowledge of initial adverse agency action (4 CFR 21.2(a)(3).
(e) Protests based on alleged apparent improprieties in a solicitation shall be filed before bid opening or the closing date for receipt of proposals. In all other cases, protests shall be filed no later than 10 days after the basis of protest is known or should have been known, whichever is earlier. The agency, for good cause shown, or where it determines that a protest raises issues significant to the agency's acquisition system, may consider the merits of any protest which is not timely filed.
(f) *Action upon receipt of protest.* (1) Upon receipt of a protest before award, a contract may not be awarded, pending agency resolution of the protest, unless contract award is justified, in writing, for urgent and compelling reasons or is determined, in writing, to be in the best interest of the Government. Such justification or determination shall be approved at a level above the contracting officer, or by another official pursuant to agency procedures. (2) If award is withheld pending agency resolution of the protest, the contracting officer will inform the offerors whose offers might become eligible for award of the contract. If appropriate, the offerors should be requested, before expiration of the time for acceptance of their offers, to extend the time for acceptance to avoid the need for resolicitation. In the event of failure to obtain such extension of offers, consideration should be given to proceeding with award pursuant to paragraph (f)(1) of this section. (3) Upon receipt of a protest within 10 days after contract award or within 5 days after a debriefing date offered to the protester under a timely debriefing request in accordance with 15.505 or 15.506, whichever is later, the contracting officer shall immediately suspend

d. Contract Clause L.3 "EPA PR-HQ-03-12341-0001")

"L.3 SERVICE OF PROTEST (FAR 52.233-2) (AUG 1996)

(a) Protests, as defined in Section 33.101 of the Federal Acquisition Regulation, that are filed directly with an agency, and copies of any protests that are filed with the General Accounting Office (GAO) shall be served on the Contracting Officer (addressed as follows) by obtaining written and dated acknowledgement of receipt from:

Oliver M. Voss
Hand-Carried Address:
Environmental Protection Agency
1300 Pennsylvania Avenue, N.W.
Washington, DC 20004

Mailing Address:

Environmental Protection Agency
1200 Pennsylvania Avenue, N.W.
Washington, DC 20460

(b) The copy of any protest shall be received in the office designated above within one day of filing a protest with the GAO.

e. An extract From Annex K of EPA PR-HQ-03-12341-0001 attached in Enclosure 3 contains the following representations in part:

"K.2 SMALL BUSINESS PROGRAM REPRESENTATIONS (FAR 52.219-1) (APR 2002)

"The North American Industry Classification System (NAICS) code for this acquisition is _____ *[insert NAICS code]*.
(2) The small business size standard is _____ *[insert size standard]*.
(3) The small business size standard for a concern which submits an offer in its own name, other than on a construction or service contract, but which proposes to furnish a product which it did not itself manufacture, is 500 employees.

(b) *Representations.*
(1) The offeror represents as part of its offer that it [ ]is, [ ]is not a small business concern."

"K.4 SIGNATURE BLOCK (EP 52.299-900) (APR 1984)

I hereby certify that the responses to the above Representations, Certifications and other statements are accurate and complete.

Signature:_____

Title :_____

Date :_____

Amendment/Modification No. PR-HQ-03-12341/0001 with Effective Date 04/01/04

"5. Provision K.2, "SMALL BUSINESS PROGRAM REPRESENTATIONS (FAR 52.219-1)", the NAICS for this requirement is 562920, 562211, and 562219, each of which has a a small business size standard of $10.5 million."

f. Attached at Enclosure 4 is the CCR Registration for UNICOR/Federal Prison Industries, 320 First St. NW, Washington, DC 20534-0001, DUNS: 626627459 printed on 12/20/2004. The attached CCR Registration for UNICOR/Federal Prison Industries DUNS: 626627459 as Enclosure 4 contains no representations as to its Small Business Status.

g. A copy of Federal Prison Industries, Inc. (FPI) FY 2003 as posted on the internet at http://www.unicor.gov/customer/03independentfinancial.pdf as of December 20, 2004 is attached as Enclosure 5.

h. A copy Federal Prison Industries, Inc. Annual Report 2002 as posted on the internet at http://www.unicor.gov/customer/Unicor%20Annual%20Report%2002%20Fin.pdf as of December 20, 2004 is attached as Enclosure 6.

4. Legal Grounds:

a. The Award is a violation of FAR 52.219-6, Notice of Total Small Business Set-Aside, which states in part:

> *(b) General.*
> *(1) Offers are solicited only from small business concerns. Offers received from concerns that are not small business concerns shall be considered nonresponsive and will be rejected.*
> *(2) Any award resulting from this solicitation will be made to a small business concern. (Italics Added)*

UNICOR does not meet the requirements of this solicitation as set forth in Paragraph 5, Page 2 of 2 of Amendment/Modification No. PR-HQ-03-12341/0001 with Effective Date 04/01/04, which is quoted as follows: "5. Provision K.2, "SMALL BUSINESS PROGRAM REPRESENTATIONS (FAR 52.219-1)", the NAICS for this requirement is 562920, 562211, and 562219, each of which has a small business size standard of $10.5 million." Utilizing the definition of Annual Receipts as defined in 19.101 Explanation of Terms, "Annual receipts" are as follows:

> (1) Annual receipts of a concern which has been in business for 3 or more complete fiscal years means the annual average gross revenue of the concern taken for the last 3 fiscal years. For the purpose of this definition, gross revenue of the concern includes revenues from sales of products and services, interest, rents, fees, commissions and/or whatever other sources derived, but less returns and allowances, sales of fixed assets, interaffiliate transactions between a concern and its domestic and foreign affiliates, and taxes collected for remittance (and if due, remitted) to a third party. Such revenues shall be measured as entered on the regular books of account of the concern whether on a cash, accrual, or other basis of accounting acceptable to the U.S. Treasury Department for the purpose of supporting Federal income tax returns, except when a change in accounting method from cash to accrual or accrual to cash has taken place during such 3-year period, or when the completed contract method has been used.
> (i) In any case of change in accounting method from cash to accrual or accrual to cash, revenues for such 3-year period shall, prior to the calculation of the annual average, be restated to the accrual method. In any case, where the completed contract method has been used to account for revenues in such 3-year period, revenues must be restated on an accrual basis using the percentage of completion method.
> (ii) In the case of a concern which does not keep regular books of accounts, but which is subject to U.S. Federal income taxation, "annual receipts" shall be measured as reported, or to be reported to the U.S. Treasury Department, Internal Revenue Service, for Federal income tax purposes, except that any return based on a change in accounting method or

on the completed contract method of accounting must be restated as provided for in the preceding paragraphs.
(2) Annual receipts of a concern that has been in business for less than 3 complete fiscal years means its total receipts for the period it has been in business, divided by the number of weeks including fractions of a week that it has been in business, and multiplied by 52. In calculating total receipts, the definitions and adjustments related to a change of accounting method and the completed contract method of paragraph (1) of this definition, are applicable.

In addition, size eligibility provisions and standards are as quoted below:

[65 FR 30840, May 15, 2000, as amended at 67 FR 52602, Aug. 13, 2002] is quoted below:

[Code of Federal Regulations]
[Title 13, Volume 1]
[Revised as of January 1, 2004]
From the U.S. Government Printing Office via GPO Access
[CITE: 13CFR121.101]

[Page 282-283]

TITLE 13--BUSINESS CREDIT AND ASSISTANCE

CHAPTER I--SMALL BUSINESS ADMINISTRATION

PART 121_SMALL BUSINESS SIZE REGULATIONS--Table of Contents

Subpart A_Size Eligibility Provisions and Standards

Sec. 121.101 What are SBA size standards?

Provisions of General Applicability

(a) SBA's size standards define whether a business entity is small and, thus, eligible for Government programs and preferences reserved for ``small business" concerns. Size standards have been established for types of economic activity, or industry, generally under the North American Industry Classification System (NAICS).
(b) NAICS is described in the North American Industry Classification Manual--United States, which is available from the National Technical Information Service, 5285 Port Royal Road, Springfield, VA 22161; by calling 1(800) 553-6847 or 1(703) 605-6000; or via the

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> Internet at http://www.ntis.gov/yellowbk/1nty205.htm. The manual includes definitions for each industry, tables showing relationships between 1997 NAICS and 1987 SICs, and a comprehensive index. NAICS assigns codes to all economic activity within twenty broad sectors. Section 121.201 provides a full table of small business size standards matched to the U.S. NAICS industry codes. A full table matching a size standard with each NAICS Industry or U.S. Industry code is also published annually by SBA in the Federal Register.
>
> [65 FR 30840, May 15, 2000, as amended at 67 FR 52602, Aug. 13, 2002]

Submitted below, find UNICOR's net sales information and U.S. Government receipts for affiliation purposes relevant to Size Determination:

UNICOR NET SALES	FY 2003	FY 2002	FY 2001	3 YEAR AVG
	NOTE: 1	NOTE: 1	NOTE: 2	
NET SALES	$666,763,000	$678,655,000	$583,500,000	$642,972,667
MULTIPLE TO NEAREST WHOLE NUMBER		61		

DATA SOURCE:
NOTE 1: A copy of Federal Prison Industries, Inc. (FPI) FY 2003 as posted on the internet at: http://www.unicor.gov/customer/03independentfinancial.pdf as of December 20, 2004 is attached as Enclosure 5.
NOTE:2 A copy Federal Prison Industries, Inc. Annual Report 2002 as posted on the internet at http://www.unicor.gov/customer/Unicor%20Annual%20Report%2002%20Fin.pdf .

UNITED STATES GOVERNMENT	FY 2003	FY 2002	FY 2001	NOTE: 4
	NOTES: 3, 4	NOTES: 3, 4	NOTES: 3,4	3 YEAR AVG
RECEIPTS	$1,782.3	$1,853.2	$1,991.2	$1,876
MULTIPLE TO NEAREST WHOLE NUMBER		178,667		

NOTE: 3 Data source http://www.gpoaccess.gov/usbudget/fy05/sheets/b78.xls
NOTE: 4 Billions of Dollars

b. CRS believes that paragraph 4.a of this Protest provides clear and convincing evidence that UNICOR is not a Small Business for the purpose of eligibility to make an offer for EPA PR-HQ-03-12341-0001. UNICOR is not an eligible offerer for EPA PR-HQ-03-12341-0001.

c. Allowing UNICOR to offer and making the Award allowed all submissions and negotiations for EPA PR-HQ-03-12341-0001 to proceed on an unfair basis. CRS offered and negotiated under the assumption that only Small Businesses would be allowed to compete for EPA PR-HQ-03-12341-0001. If the provision of EPA PR-HQ-03-12341-0001 had allowed offers from organizations that are not, by definition, Small Businesses CRS would have used a much different offering and strategy for EPA PR-HQ-03-12341-0001.

December 22, 2004

RE: Creative Recycling Systems, Inc. Size Status Protest for the United States Small Business Administration's ("SBA") Small Business Set-Aside Program for Represented Contract Award to UNICOR: Federal Prison Industries, 320 1st St, NW, Washington, DC 20534 for the United States Environmental Protection Agency's Represented Contract Award for Procurement Number PR-HQ-03-12341 dated March 19, 2004 with Amendment/Modification No. PR-HQ-03-12341/0001 with Effective Date 04/01/04 ("EPA PR-HQ-03-12341-0001")

Allowing UNICOR to offer and the subsequent Award to UNICOR specifically denied CRS' right to due process of law and specifically negated CRS' rights under FAR 1.602-1(b) which states:

> (b) No contract shall be entered into unless the contracting officer ensures that all requirements of law, executive orders, regulations, and all other applicable procedures, including clearances and approvals, have been met.

CRS' due process of law rights under FAR 1.602-2 were also violated by the Award. Processes that violate the law and regulations established under them are inherently unfair as they disadvantage those who abide by the laws and regulations. FAR 1.602-2 states:

> **1.602-2 Responsibilities.**
>
> Contracting officers are responsible for ensuring performance of all necessary actions for effective contracting, ensuring compliance with the terms of the contract, and safeguarding the interests of the United States in its contractual relationships. In order to perform these responsibilities, contracting officers should be allowed wide latitude to exercise business judgment. Contracting officers shall-
>
> (a) Ensure that the requirements of 1.602-1(b) have been met, and that sufficient funds are available for obligation;
> (b) Ensure that contractors receive impartial, fair, and equitable treatment; and
> (c) Request and consider the advice of specialists in audit, law, engineering, transportation, and other fields, as appropriate.

The provisions of FAR 1.602-2 were clearly not met by the Award.

5. Relief:

CRS seeks from the EPA and SBA the rulings, relief, and assistance as requested in this Protest. Additionally, CRS respectively requests all relief deemed appropriate by the EPA and SBA.

BY: Joseph C. Yob, Jr.

Date Submitted: December 22, 2004

Joseph C. Yob, Jr.
Vice President
Creative Recycling Systems, Inc.

EPA

U.S. Environmental Protection Agency
Washington, DC 20460

2004 APR 19 PM 1:46

Company Name: Creative Recycling Systems

Solicitation Number: PR HQ 03 12341

Number of Packages: 1

Signature of Recipient: [illegible]

Signature of Contractor/Messenger: Joseph Cuff

Enclosure 2

Enclosure 5

U.S. Department of Justice

Federal Bureau of Prisons

Office of the Director

Washington, DC 20534

March 18, 2004

The President
The White House
Washington, DC 20500

Dear Mr. President:

In accordance with the Chief Financial Officers Act (CFO Act) of 1990, 31 U.S.C. §9106(b), please find enclosed a copy of Federal Prison Industries, Inc. (FPI) FY 2003 management report and independent financial audit. This report will also be made available via the Internet at www.unicor.gov.

If you should have any questions, or desire further information, please do not hesitate to contact me.

Respectfully,

Harley G. Lappin
Chief Executive Officer

Enclosure

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2 Report of Management

3 Report of Independent Auditors

4 Report of Independent Auditors on Internal Control

6 Report of Independent Auditors on Compliance with Laws and Regulations

7 FPI Balance Sheets

8 FPI Statements of Operations and Cumulative Results of Operations

9 FPI Statements of Cash Flow

10 FPI Notes to Financial Statements

Report of Management

Responsibility for the integrity and objectivity of the financial information in this report rests with the management of Federal Prison Industries, Inc. The accompanying financial statements have been prepared to conform with United States generally accepted accounting principles (U.S. GAAP).

To ensure the integrity of financial data, FPI management maintains a system of internal accounting controls. The system provides reasonable assurance that transactions have management authorization and are properly recorded. It also safeguards, verifies, and maintains accountability of assets and permits preparation of financial statements that conform with U.S. GAAP. This system of internal controls is subject to periodic reviews by both management and FPI's independent auditors.

Internal accounting and administrative control systems have been reviewed and tested. Accordingly, FPI management provides the following assurances:

1. There are sufficient controls and security measures to compensate for any identified risks associated with the program/system and/or its environment,
2. The program/system is being operated in an effective manner and complies with applicable laws and regulations,
3. There is proper management of the program/system information, and
4. The program/system complies with management, financial, information resources management, accounting, budget and other appropriate standards.

The independent public accounting firm of PricewaterhouseCoopers LLP is retained to audit FPI's financial statements. The role of independent auditors is to provide an objective review of management's responsibilities to fairly report operating results, cash flows and financial position. The independent auditor's reports are presented on the following pages. The report on the fairness of the presentation of the financial statements is unqualified.

The independent auditor obtains an understanding of FPI's internal control sufficient to plan the audit and to determine the nature, timing, and extent of tests to be performed to form an opinion on the fairness of the presentation of the financial statements.

Although management may periodically adopt certain cost-effective recommendations made by the independent auditors to further strengthen FPI's system of internal control, management believes that FPI's internal and accounting control system is accomplishing its objectives.

Harley G. Lappin

Director, Federal Bureau of Prisons
Chief Executive Officer, Federal Prison Industries

Report of Independent Auditors

PRICEWATERHOUSECOOPERS

Inspector General
U.S. Department of Justice

PricewaterhouseCoopers LLP
1301 K St., N.W., Suite 800W
Washington DC 20005-3333
Telephone (202) 414-1000

Board of Directors
Federal Prison Industries, Inc.
U.S. Department of Justice

We have audited the accompanying balance sheets of Federal Prison Industries, Inc., a financial reporting component of the U.S. Department of Justice referred to herein as the FPI, as of September 30, 2003 and 2002, and the related statements of operations and cumulative results of operations, and cash flows, for the years then ended. These financial statements are the responsibility of the FPI's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Bulletin No. 01-02, *Audit Requirements for Federal Financial Statements*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above, present fairly, in all material respects, the financial position of FPI at September 30, 2003 and 2002, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated November 11, 2003 on our consideration of the FPI's internal control and a report dated November 11, 2003 on its compliance with laws and regulations. Those reports are an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

PricewaterhouseCoopers LLP

November 11, 2003

Report of Independent Auditors on InternalC ontrol

PRICEWATERHOUSECOOPERS

Inspector General
U.S. Department of Justice

PricewaterhouseCoopersL LP
1301 K St., N.W., Suite 800W
Washington DC 20005-3333
Telephone (202)4 14-1000

Board of Directors
Federal Prison Industries, Inc.
U.S. Department of Justice

We have audited the financial statements oft he Federal Prison Industries, Inc., a financial reporting component of the U.S. Department ofJ ustice referred to herein as FPI, as of September 30, 2003 and 2002, and for the years then ended, and have issued our report thereon dated November 11, 2003. We conducted our audits in accordance with auditing standardsg enerally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB)B ulletin No. 01-02, *Audit Requirements for Federal Financial Statements.*

The management of FPIi s responsible for establishing and maintaining accounting systems and internal control. In fulfilling this responsibility, estimates and judgments are required to assess the expected benefits and related costs of internal control policies and procedures. The objectives of internal control are to provide management with reasonable, but not absolute, assurance that: (1) transactions are properly recorded, processed, and summarized to permit the preparation of reliable financial statements in accordance with accounting principles generally accepted in the UnitedS tates of America, andt o safeguarda ssets against loss from unauthorizeda cquisition, use or disposition; (2) transactions are executed in compliance with laws and regulations that could have a direct and material effect on the financial statements, and any other laws, regulations and government-wide policies identified in Appendix C of OMB Bulletin No. 01-02; and (3) transactions and other data that support reported performance measures are properly recorded, processed, and summarized to permit the preparation ofp erformance information in accordance with criteria stated by FPI management. Because of inherent limitations in any internal control, errorso r fraud may neverthelesso ccur and not be detected. Also, projection of any evaluation of internal control to future periodsi s subject to the risk that procedures may become inadequate because of changesi n conditions or thatt he effectivenesso f the design and operation of policiesa nd proceduresm ay deteriorate.

In planning and performing our audit of FPI's financial statements, we obtained an understanding of the design of significant internal controls and whether they had been placed in operation, tested certain controls and assessed control risk in order to determineo ur auditing procedures for thep urpose of expressing an opinion on the financial statements. We limited our control testing to those controls necessary to achieve the objectives described above and we did not test all controls relevant to operating objectives as broadly defined by the Federal Managers' FinancialI ntegrity Act of 1982. Our purpose was not to provide an opinion on FPI's internal controls. Accordingly, we do not expresss uch an opinion.

With respect to internal controls relevant to data that support reported performance measures, we obtained an understanding of the design of significant internal controls relating to the existence and completeness assertions,

as required by OMB Bulletin No. 01-02. Our procedures were not designed to provide assurance on internal controls over reported performance measures. Accordingly, we do not provide an opinion on such controls.

We noted certain matters in FPI's internal controls that we consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of internal control that, in our judgment, could adversely affect the entity's ability to meet the internal control objectives described in the second paragraph. Material weaknesses are reportable conditions in which the design or operation of one or more of the internal control elements does not reduce to a relatively low level the risk that errors or fraud in amounts that would be material in relation to the financial statements being audited or material to a performance measure or aggregation of related performance measures may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of internal control would not necessarily disclose all matters in internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. The reportable condition below is not considered a material weakness.

Technical and security design and implementation of the SAP financial application need improvement.

The remainder of this report discusses the reportable condition in more detail. Our recommendations for corrective action and status of prior year findings and recommendations are also provided.

PricewaterhouseCoopers LLP

November 11, 2003

Detailed information concerning the reportable conditions noted in Federal Prison Industries, Inc., internal control report can be obtained from the Department of Justice, Office of Inspector General for Audit, Office of Policy and Planning, 1425 New York Avenue, NW, Suite 5000, Washington, DC 20530 and from the Internet site at www.unicor.gov.

Report of Independent Auditors on Compliance with Laws and Regulations

PRICEWATERHOUSECOOPERS

Inspector General
U.S. Department of Justice

PricewaterhouseCoopers LLP
1301 K St., N.W., Suite 800W
Washington DC 20005-3333
Telephone (202) 414-1000

Board of Directors
Federal Prison Industries, Inc.
U.S. Department of Justice

We have audited the financial statements of the Federal Prison Industries, Inc., a financial reporting component of the U.S. Department of Justice referred to herein as FPI, as of September 30, 2003 and 2002, and have issued our report thereon dated November 11, 2003 for the years then ended. We conducted our audits in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Bulletin No. 01-02, *Audit Requirements for Federal Financial Statements*.

Compliance with laws and regulations applicable to the FPI is the responsibility of management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the FPI's compliance with certain provisions of laws and regulations, noncompliance with which could have a direct and material effect on the determination of financial statement amounts and certain other laws and regulations specified in OMB Bulletin No. 01-02, including the requirements referred to in the Federal Financial Management Improvement Act (FFMIA) of 1996. However, the objective of our audits of the financial statements was not to provide an opinion on overall compliance with such provisions and, accordingly, we do not express such an opinion.

The results of our tests of compliance disclosed no instances of noncompliance with laws and regulations that are required to be reported under Government Auditing Standards or OMB Bulletin No. 01-02.

This report is intended solely for the information and use of the U.S. Department of Justice Office of the Inspector General, the management of the Department of Justice, the OMB, and Congress. This report is not intended to be and should not be used by anyone other than these specified parties.

PricewaterhouseCoopers LLP

November 11, 2003

Balance Sheets

Federal Prison Industries, Inc.

September 30

(DOLLARS IN THOUSANDS)	2003	2002
ASSETS		
Current:		
Cash and cash equivalents	$ 187,416	$ 108,247
Accounts receivable, net	65,562	92,883
Inventories, net	146,702	141,847
Other assets	1,890	2,025
Total current assets	*401,570*	*345,002*
Property, plant and equipment, net	116,381	127,202
TOTAL ASSETS	*$ 517,951*	*$ 472,204*
LIABILITIES AND UNITED STATES GOVERNMENT EQUITY		
Current:		
Accounts payable	$ 48,020	$ 44,824
Deferred revenue	126,481	83,834
Accrued salaries and wages	7,268	6,988
Accrued annual leave	8,329	8,065
Other accrued expenses	10,077	12,669
Total current liabilities	*200,175*	*156,380*
FECA actuarial liability	7,932	7,935
Note payable to United States Treasury	20,000	20,000
Total Liabilities	*228,107*	*184,315*
United States Government Equity		
Initial capital	4,176	4,176
Cumulative results of operations	285,668	283,713
Total United States Government Equity	*289,844*	*287,889*
TOTAL LIABILITIES AND UNITED STATES GOVERNMENT EQUITY	*$ 517,951*	*$ 472,204*

The accompanying notes are an integral part of these financial statements

Statements of Operations and Cumulative Results of Operations

Federal Prison Industries, Inc.

Fiscal years ended September 30 **(DOLLARS IN THOUSANDS)**	**2003**	**2002**
REVENUE:		
Net sales	$ 666,763	$ 678,655
Other revenue	55,100	38,207
Total revenue	*721,863*	*716,862*
COST OF REVENUE:		
Cost of sales	598,625	603,014
Cost of other revenue	55,958	41,497
Total Cost of Revenue	*654,583*	*644,511*
GROSS PROFIT	*67,280*	*72,351*
OPERATING EXPENSES:		
Sales and marketing	6,983	8,788
General and administrative	72,193	66,529
Total operating expenses	*79,176*	*75,317*
LOSS FROM OPERATIONS	*(11,896)*	*(2,966)*
Interest income	1,941	1,409
Interest expense	(63)	(172)
Other income, net	11,973	10,819
Net income	*1,955*	*9,090*
Cumulative results of operations, beginning of fiscal year	283,713	274,480
Donated property reclasssified to cumulative results of operations	—	143
CUMULATIVE RESULTS OF OPERATIONS, END OF FISCAL YEAR	*$ 285,668*	*$ 283,713*

The accompanying notes are an integral part of these financial statements

Statements of Cash Flow

Federal Prison Industries, Inc.

Fiscal years ended September 30

(DOLLARS IN THOUSANDS)	2003	2002
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	$ 1,955	$ 9,090
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	11,773	12,404
Loss on disposal of property, plant and equipment	1,748	278
Changes in:		
Accounts receivable	27,321	(4,520)
Inventories	(4,855)	(1,080)
Other assets	136	(190)
Accounts payable and accrued expenses	1,145	7,001
Deferred revenue	42,647	38,657
NET CASH PROVIDED BY OPERATING ACTIVITIES	*81,870*	*61,640*
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property, plant and equipment	(2,593)	(7,771)
Construction-in-progress of plant facilities	(200)	(19)
Construction reimbursement from Bureau of Prisons	92	—
NET CASH USED IN INVESTING ACTIVITIES	*(2,701)*	*(7,790)*
NET INCREASE IN CASH	79,169	53,850
CASH AND CASH EQUIVALENTS, BEGINNING OF FISCAL YEAR	108,247	54,397
CASH AND CASH EQUIVALENTS, END OF FISCAL YEAR	$ 187,416	$ 108,247

The accompanying notes are an integral part of these financial statements

Note 1
Organization and Mission

Federal Prison Industries, Inc (FPI) was established in 1934 by an act of the United States Congress. FPI operates under the trade name UNICOR, as a wholly owned federal government corporation within the Department of Justice, and functions under the direction and control of a Board of Directors, (the "Board"). Members of the Board are appointed by the President of the United States of America and represent retailers and consumers, agriculture, industry, labor, the Attorney General, and the Secretary of Defense. FPI's statutory mandate is to provide employment and training for inmates in the Federal Prison System while remaining self-sufficient through the sale of its products and services.

FPI's federal government customers include departments, agencies and bureaus such as the Department of Justice, the Department of Defense, the Department of Homeland Security, the Social Security Administration, and the General Services Administration. These and other federal organizations are required to purchase products from FPI, if its products meet the customer's price, quality, and delivery standards, under a mandatory source preference specified in FPI's enabling statute and the Federal Acquisition Regulation. FPI's source preference may, at some time, be impacted by legislative changes. Subsequent to the end of this fiscal year, the House of Representatives passed H.R. 1829, which if enacted, would eliminate FPI's source preference and require other operational changes. FPI is unable to predict the probability of enactment, or if enacted the impact of this, or other legislation until it is finalized.

As of September 30, 2003, FPI had industrial operations at 112 factories located at 71 facilities within the Federal Prison System; these factories employed 20,274 inmates representing approximately 16% of the total federal inmate population.

Note 2
Summary of Significant Accounting Policies

Basis of Presentation

FPI has historically prepared its external financial statements in conformity with accounting principles generally accepted in the United States of America (US GAAP), based on accounting standards issued by the Financial Accounting Standards Board (FASB), the private sector standards-setting body. The Federal Accounting Standards Advisory Board (FASAB) has been designated as the standards-setting body for federal financial reporting entities with respect to the establishment of US GAAP. FASAB has indicated, however, that accounting standards published by FASB may also be in accordance with US GAAP for those federal entities, including FPI, that have issued such financial statements in the past.

Use of Estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates.

Cash and Cash Equivalents

FPI considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents. FPI limits its investment activities and cash equivalents to short-term overnight repurchase agreements with the Bureau of Public Debt of the United States Treasury. The market value of these overnight repurchase agreements is equivalent to cost.

Accounts Receivable / Concentration of Credit Risk

Financial instruments that potentially subject FPI to concentrations of credit risk consist primarily of accounts receivable. FPI sells products and services to various federal government departments, agencies and bureaus, as well as certain private sector companies, without requiring collateral. Accounts receivable consists of amounts due from those entities and is stated net of an allowance for doubtful accounts.

FPI routinely assesses the payment histories of its federal customers and the financial strength of its private sector customers and maintains allowances for anticipated losses as they become evident. In this regard, a significant amount of accounts receivable remained past due at September 30, 2003 and 2002. A majority of these past due items relate to billings to various entities within Department of Defense (DOD) who rely on the Defense Finance and Accounting Service (DFAS) to process vendor payments. Historically, customer payments processed through DFAS have generally taken longer to receive than payments from other federal and private sector customers. FPI believes that ultimately, a majority of its past-due accounts receivable are fully collectable. The amount due FPI from DOD for fiscal years ended September 30, 2003 and 2002 was $54,185 and $74,913 respectively.

While federal accounts receivable are normally fully collectable in accordance with federal law, FPI has established an allowance for future losses against its federal accounts receivable to account for potential billing errors related to pricing and customer discounts, as well as, instances of expired or cancelled funding from its federally appropriated customers. At September 30, 2003 and 2002, FPI's allowance for doubtful accounts is stated at approximately $4,977 and $5,034, respectively, of which approximately $4,329 and $4,447, respectively, represents the amounts allocated against federal accounts receivable.

Inventories

Inventories are valued at the lower of average cost or market value (LCM) and include materials, labor and manufacturing overhead. Market value is calculated on the basis of the contractual or anticipated selling price, less allowances. FPI values its finished good and sub-assembly items at a standard cost that is periodically adjusted to approximate actual cost.

FPI has established inventory allowances to account for LCM adjustments and excess and/or obsolete items that may not be utilized in future periods.

Revenue Recognition

FPI sells a wide range of products and services to a diversified base of customers, primarily governmental departments, agencies and bureaus. Revenue is generally recognized when delivery has occurred or services have been rendered, persuasive evidence of an arrangement exists, there is a fixed or determinable price, and collectibility is reasonably assured. Revenue from contracts that require customer acceptance are not recognized until either customer acceptance is obtained, or upon completion of the contract. Provisions for anticipated contract losses are recognized at the time that they become evident.

Revenue is recognized on multiple element agreements for manufactured items when the product has been accepted by the customer. Revenue for services provided on behalf of FPI is recognized when the service provider presents a valid invoice including a customer acceptance or completion notice.

FPI records as other revenue the shipping and handling costs that have been billed to our customers. The cost of providing this service is recorded as a cost of other revenue.

Deferred revenue is comprised of customer cash advances, which have been paid to FPI prior to the manufacturing of goods, delivery of goods, or performance of services.

Other income is comprised primarily of imputed financing for retirement, health benefits and life insurance (Note 9).

Property, Plant and Equipment

Property, plant and equipment are stated at cost, net of an allowance for accumulated depreciation. Depreciation is computed using the straight-line method over the following estimated useful lives:

	Years
Machinery & Equipment	5 - 25
Computer Hardware	5 - 10
Computer Software	3 - 5
Building & Improvements	24 - 40

Upon retirement or disposition of property and equipment, the related gain or loss is reflected in the statement of operations. Repairs and maintenance costs are expensed as incurred.

Taxes

As a wholly-owned corporation of the federal government, FPI is exempt from federal and state income taxes, gross receipts tax, and property taxes.

Reclassifications

Certain fiscal year 2002 amounts in the accompanying financial statements and notes thereto have been reclassified to conform to our current year presentation.

Note 3
Accounts Receivable, Net

Accounts receivable, net consists of the following:

September 30	2003	2002
Intragovernmental billed receivables	$ 64,141	92,349
Private sector billed receivables	6,398	5,568
	70,539	***97,917***
Less allowance for doubtful accounts	4,977	5,034
Accounts receivable, net	***$ 65,562***	***$ 92,883***

Note 4
Inventories, Net

Inventories, net consist of the following:

September 30	2003	2002
Raw materials	$ 44,029	$ 46,229
Raw materials – vehicles	24,941	24,886
Work-in-process	21,774	31,546
Finished sub-assemblies	7,546	7,816
Finished goods	37,973	30,951
Finished goods – acceptance contracts	20,137	12,215
	156,400	***153,643***
Less inventory allowance	9,698	11,796
Inventories, net	***$146,702***	***$141,847***

$24,941 of FPI's fiscal year 2003 and $24,886 of FPI's fiscal year 2002 raw materials balance represents vehicles and component parts that have been purchased on behalf of the Customs and Border Protection and Bureau of Immigration and Customs Enforcement of the Department of Homeland Security (DHS) for retrofit services that are performed by FPI. As part of an interagency agreement, DHS provides advance funding to FPI to procure these vehicles. Revenue is recognized by FPI at the time of shipment of retrofitted vehicles to DHS.

$20,137 of FPI's fiscal year 2003 and $12,215 of FPI's fiscal year 2002 finished goods balance represents goods that have been shipped to customers or their agents, but for which revenue has not been recognized because of acceptance criteria within the customer contract. A majority of this amount consists of systems furniture installations in progress.

Note 5
Property, Plant and Equipment, Net

Property, plant and equipment, net consists of the following:

September 30	2003	2002
Machinery and equipment	$ 89,943	$ 91,296
Computer hardware	3,096	2,740
Computer software	5,965	6,806
Buildings and improvements	164,259	166,321
	263,263	***267,163***
Less accumulated depreciation	147,095	140,072
	116,168	***127,091***
Factory construction-in-progress	213	111
Property, plant and equipment, net	***$116,381***	***$127,202***

Depreciation and amortization expense approximated $11,773 and $12,404 for the fiscal years ended September 30, 2003 and 2002, respectively.

As of September 30, 2003, various projects were in progress for the construction of new industrial facilities and the renovation of existing facilities. In this regard, BOP, on behalf of FPI, is planning to invest approximately $17,105, provided from their fiscal year 2002 and 2003 building and facilities appropriations, during the next fiscal year for the construction of buildings and improvements. In addition, during the next fiscal year, FPI is planning to invest approximately $12,051 for the purchase and construction of property, plant, and equipment.

Note 6
Other Accrued Expenses

Other accrued expenses consist of the following:

September 30	2003	2002
Permanent change of station	$ 2,411	$ 1,662
Information systems	614	3,614
FECA liability – current portion	936	764
Materials in Transit	2,369	2,067
Financial Audit Expense	946	900
Utilities	1,290	1,768
Other expense	1,511	1,894
Other accrued expenses	***$ 10,077***	***$ 12,669***

Note 7
Note Payable to United States Treasury

Congress has granted FPI borrowing authority pursuant to Public Law 100-690. Under this authority, FPI has borrowed $20,000 from the Bureau of Public Debt of the United States Treasury (the Treasury) with an extended lump-sum maturity date of September 30, 2008. The funds received under this note have been internally restricted for use in the construction of plant facilities and the purchase of equipment. The note accrues interest, payable March 31 and September 30 of each fiscal year at 5.5% (the rate equivalent to the yield of United States Treasury obligations of comparable maturities which existed on the date of a note maturity extension, granted in fiscal year 1998). Accrued interest payable under the note is either fully or partially offset to the extent FPI maintains non-interest bearing cash deposits with the Treasury. In this regard, there is no accrual of interest unless FPI's daily cash balance on deposit with the Treasury is less than the unpaid principal balance of all note advances received, as determined by a monthly calculation performed by the Treasury. When FPI's daily cash balance is less than the unpaid principal balance of all note advances received, interest is calculated by the Treasury on the difference between these two amounts. The note agreement provides for certain restrictive covenants and a prepayment penalty for debt retirements prior to 2008. Additionally, the agreement limits authorized borrowing in an aggregate amount not to exceed 25% of FPI's net equity

There was no interest expense related to this note for the fiscal years ended September 30, 2003 and 2002.

Note 8
Business Segments

FPI's businesses are organized, managed and internally reported as eight operating segments based on products and services. These segments are Clothing and Textiles; Electronics; Fleet Management and Vehicular; Graphics; Industrial Products; Office Furniture; Recycling; and Services. These segments represent virtually all of FPI's product lines. FPI is not dependent on any single product as a primary revenue source; however, it is dependent on the federal government market for the sale of its products. FPI's net sales for the fiscal years ended September 30, 2003 and 2002 for each of its business segments is presented for comparative purposes:

Net Sales

Fiscal year ended September 30	2003	2002
Business Segment		
Clothing and Textiles	$158,399	$159,730
Electronics	152,357	132,662
Fleet Management and Vehicular	123,272	99,054
Graphics	23,658	26,006
Industrial Products	36,759	27,782
Office Furniture	151,996	217,852
Recycling	8,083	3,359
Services	12,239	12,210
Net sales	***$666,763***	***$678,655***

Regulatory Compliance

FPI's ability to add or to expand production of a specified product is regulated by the Federal Prison Industries Reform Act ("the Act"). The Act provides specific guidelines to FPI regarding its methodology for evaluating and reporting new or expanded products, including requiring FPI to provide direct notice to trade associations and interested parties of such actions. Finally, publication of annual decisions of the FPI Board of Directors and semi-annual sales disclosures are mandated under the Act.

Note 9
Intra-Department of Justice (DOJ)/ Intragovernmental Financial Activities

FPI's financial activities interact with and are dependent upon those of DOJ and the federal government as a whole. The following is a discussion of certain intra-DOJ and intragovernmental activities and their relationship with FPI:

Relationship with the Federal Bureau of Prisons
FPI and the Federal Bureau of Prisons (BOP) have a unique relationship in that the nature of their respective missions requires the sharing of facilities and responsibilities relative to the custody, training and employment of federal inmates. The Director of the BOP serves as the Chief Executive Officer of FPI and the Chief Operating Officer of FPI serves as an Assistant Director of the BOP. The BOP provides land to FPI for the construction of its manufacturing facilities and both FPI and BOP share certain facilities, generally at no cost to FPI.

Self Insurance
In accordance with federal government policy, FPI is uninsured with respect to property damage, product liability, and other customary business loss exposures. Losses incurred are absorbed as a current operating expense or, if they are induced by factors related to FPI's relationship with the Federal Prison System, may be reimbursed by BOP. Certain other costs, principally relating to personal injury claims, are paid directly by the federal government.

Federal Employees Compensation Act
The Federal Employees Compensation Act (FECA) provides income and medical cost protection to cover federal civilian employees injured on the job, employees who have incurred a work-related occupational disease, and beneficiaries of employees whose death is attributable to a job related injury or occupational disease. The United States Department of Labor (DOL), which administers FECA, annually charges each federal agency and department for its applicable portion of claims and benefits paid in the preceding year. As of September 30, 2003 and September 30, 2002, the accrued FECA liability as charged to FPI, approximated $936 and $737, respectively.

DOL also calculates the liability of the federal government for future claims and benefits, which includes the estimated liability of death, disability, medical, and other approved costs. Future claims and benefits are determined from an actuarial extrapolation, utilizing historical benefit payment patterns and calculations of projected future benefit payments discounted to current value over a 23.5 year period. FPI's estimated future liability approximated $7,932 and $7,935 at September 30, 2003 and 2002, respectively.

Retirement
Substantially all of FPI's civilian employees are covered under either the Civil Service Retirement System (CSRS) or the Federal Employees Retirement System (FERS). For employees covered under CSRS (those employees hired prior to January 1, 1984), FPI contributes approximately 7 0 percent (for normal retirement) or 7.5 percent (for hazardous duty retirement) of each employee's salary. CSRS covered employees do not have Federal Insurance Contributions Act (FICA) withholdings and, thus, are not fully eligible to receive Social Security benefits. For employees covered under FERS, (generally those employees hired on or after January 1, 1984) FPI contributes 10.7 percent (for normal retirement) or 22.7 percent (for hazardous duty retirement).

Under FERS, employees also receive retirement benefits from Social Security and, if applicable, benefits from a defined contribution plan (thrift). Under the thrift plan, an employee may contribute (tax deferred) up to 13 percent of salary to an investment fund. FPI then matches this amount up to 5 percent. Those employees, which elected to remain under CSRS after January 1, 1984, continue to receive benefits in place, and may also contribute (tax deferred) up to 8 percent of their salary to the thrift plan, but with no matching amount contributed by FPI.

CSRS and FERS are multi-employer plans. Although FPI funds a portion of pension benefits relating to its employees, and provides for the necessary payroll withholdings, it does not maintain or report information with respect to the assets of the plans, nor does it report actuarial data with respect to accumulated plan benefits or the pension liability relative to its employees. The reporting of such amounts is the responsibility of the United States Office of Personnel Management.

FPI's contribution to both plans was approximately $24,314 and $22,340 for the years ended September 30, 2003 and 2002, respectively

Health Benefits and Life Insurance

FPI, through the Office of Personnel Management (OPM), offers health and life insurance plans under which premium costs for health care are shared between FPI and the employees. A substantial portion of life insurance premiums are paid for by employees. Amounts paid by FPI for health benefits approximated $7,910 and $6,727 for the fiscal years ended September 30, 2003 and 2002, respectively.

OPM also provides health care and life insurance benefits for FPI's retired employees. Based on the requirements of SFFAS No. 5, FPI must recognize an expense related to its share of the cost of such post-retirement health benefits and life insurance on a current basis (while its employees are still working), with an offsetting credit to other income. Costs in this regard, which approximated $5,583 and $5,143 during the fiscal years ended September 30, 2003 and 2002, respectively, were determined by OPM utilizing cost factors which estimate the cost of providing post-retirement benefits to current employees. However, because of the offsetting credit, the recording of these costs has no impact on reported net income or cash flows.

Future post-retirement health care and life insurance benefit costs are not reflected as a liability on FPI's financial statements, as such costs are expected to be funded in future periods by OPM.

Note 10
Selling, General and Administrative Expenses

Selling, general and administrative expenses consist of the following:

Selling, general and administrative expenses

Fiscal years ended September 30	2003	2002
Salaries, wages and benefits	$ 32,440	$ 29,714
Permanent change of station expense	3,453	1,901
Purchases of minor equipment	1,283	974
Contract services	9,410	9,388
Bad debt expense	2,903	4,957
Credit card services	1,452	1,733
Travel	2,139	2,020
Customer Goodwill	1,241	1,039
Personal Computer Expense	710	1,864
Depreciation	3,246	2,883
Gain or Loss on Disposition of Assets	1,741	194
Other Expense	9,604	10,482
Imputed pension costs (Note 9)	3,971	3,025
Imputed post-retirement health care and life insurance cost (Note 9)	5,583	5,143
Selling General and Administrative Expenses	$ 79,176	$ 75,317

Other expense is comprised primarily of inmate wages and certain sales and marketing expenses. Contract services consist primarily of consulting and sales and marketing fees. Salaries, wages and benefits are shown net of the imputed financing offsetting credit (Note 9).

Note 11
Commitments and Contingencies

Legal Contingencies

FPI is involved in various legal actions, including administrative proceedings, lawsuits, and claims. In the opinion of the organization's legal counsel, these suits are without substantial merit and should not result in judgments, which in the aggregate would have a material adverse effect on the organization's financial statements.

Lease Commitments

FPI leases certain facilities, machinery, vehicles and office equipment under noncancelable operating lease agreements that expire over future periods. Many of these lease agreements provide FPI with the option (after initial lease term) to either purchase the leased item at the then fair value or to renew the lease for additional periods of time. Future commitments for the next five years and thereafter are as follows: fiscal year 2004 $406, fiscal year 2005, $163, fiscal year 2006, $127, fiscal year 2007, $67, fiscal year 2008, $55, and fiscal years after 2008, $25. Rental expense approximated $1,025 and $1,640 for the fiscal years ended September 30, 2003 and 2002, respectively.

Product Warranty

FPI offers its customers a promise of an "Escape Proof Guarantee" on the products it manufactures. FPI Management has analyzed the historical pattern of sales returns and the adequacy of the sales returns and allowances. In this regard, Management has established an estimate of future returns related to current period product revenue

Enclosure 6

ANNUAL REPORT

FEDERAL

UNICOR

PRISON INDUSTRIES

2002

MISSION STATEMENT

It is the mission of Federal Prison Industries, Inc. (FPI) to employ and provide job skills training to the greatest practicable number of inmates confined within the Federal Bureau of Prisons; contribute to the safety and security of our Nation's Federal correctional facilities by keeping inmates constructively occupied; produce market-priced quality goods for sale to the Federal Government; operate in a self-sustaining manner; and minimize FPI's impact on private business and labor.

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5 Message from the Board
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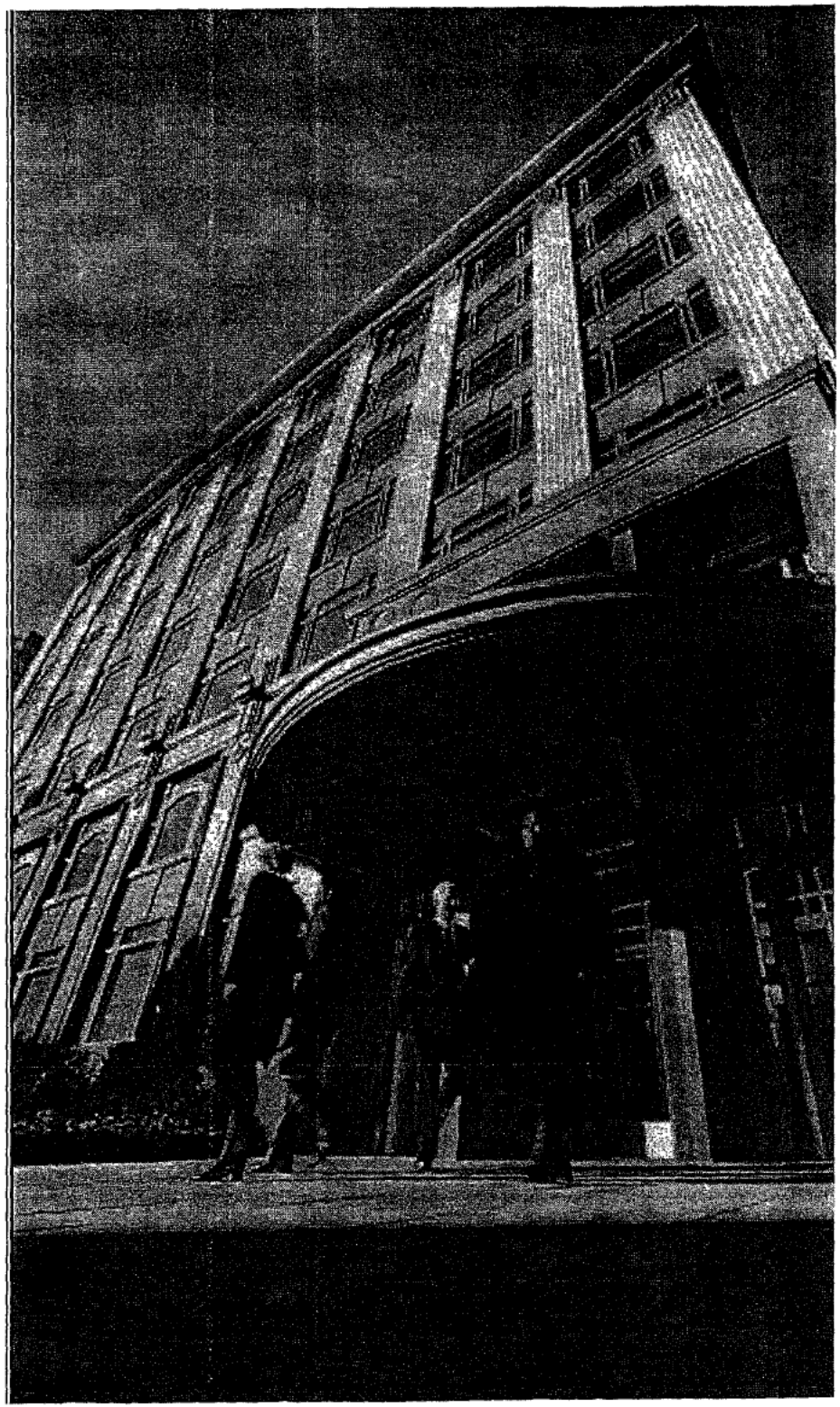
7 Industrial Programs, Locations, Inmate Employment, and Net Sales Chart
8 Waiver Statistics
9 Program Benefits
10 Ombudsman Message
11 Your Direct Line to FPI's Board of Directors
13 Report of Management
14 Independent Auditor's Report



That Vital Link...

The prospect of having to search for meaningful work upon release from prison can be a daunting one, particularly for inmates who have been out of the labor market for upwards of ten years.

While acquiring valuable work experience and skills through programs like Federal Prison Industries is certainly important, that, in and of itself is not enough. Inmates nearing release in today's society need to re-learn, or perhaps for the first time learn, how to effectively "search for a job." One program that meets this very need is the Bureau of Prisons' Inmate Placement Program (IPP).

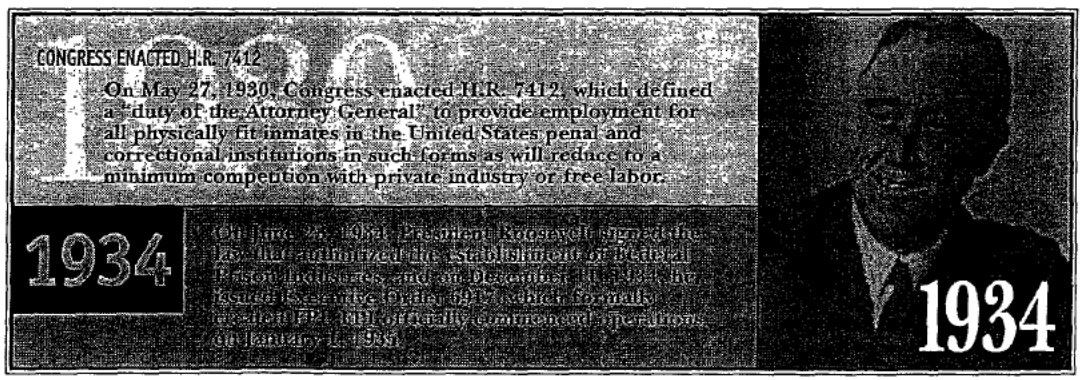
Established in October 1996, the IPP was created out of a realization that many offenders were being released to the streets ill-equipped, lacking even the most basic skills necessary to secure and retain employment. Since its inception, the IPP has provided instruction to thousands of incarcerated men and women on résumé writing, job search techniques, and interview skills.

One of the most practical experiences the IPP offers offenders is the Mock Job Fair. Recruiters from companies large and small come to the institution to interview program participants who are roughly within 18 months of release. Through simulated job interviews, recruiters ask tough questions such as, "How can I be sure you won't repeat the behavior that landed you in prison?" or "Why should I give you the job over someone without a record?" The interviewers also review the inmate's résumé, suggest appropriate modifications, and evaluate the inmate's appearance and demeanor during the interview. Both the interview experience and feedback from the evaluations contribute significantly to the overall "job readiness" of the inmate participants.

For many inmates, programs like FPI and Inmate Placement represent "that vital link" that can facilitate an offender's successful transition from prisoner to law-abiding, contributing member of society.

Introduction by the Attorney General

Without question, one of the greatest challenges facing senior executives today is organizational complacency, being satisfied with "business as usual." While broad-based change in any organization can be unsettling, the greater danger lies in not changing, holding steadfast to the status quo. In fact, failure to move *"beyond business as usual"* can leave any entity—including the Government—stagnant and ineffective at carrying out its mission.



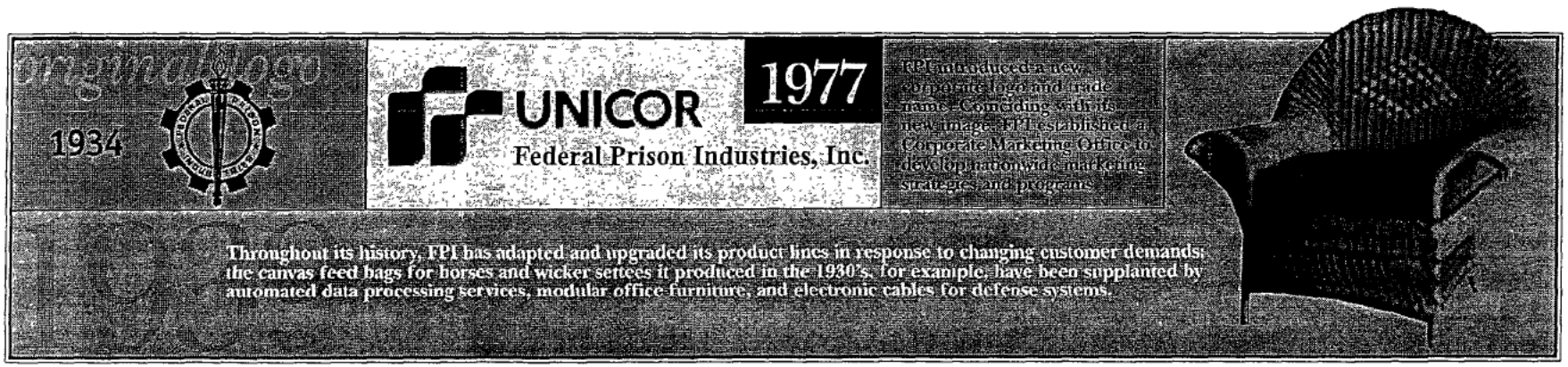
To encourage innovative thinking and progress, however, is not without its own risks. Change takes time, and can be difficult. Yet businesses and organizations today recognize that forward thinking is essential if they expect to influence the shaping and viability of their futures.

JOHN ASHCROFT
United States Attorney General

One Government program that intends to do just that is Federal Prison Industries, commonly referred to as FPI or by its trade name, UNICOR. This wholly owned Government corporation, which employs and provides job skills training to inmates incarcerated in the Federal Bureau of Prisons, underwent a succession of changes during Fiscal Year 2002. Some were directly related to its overall strategic plan to become more business-like, while others were mandated by externally driven forces. For FPI, the past 12 months have been anything but "business as usual." However, FPI's staff is committed to seizing every opportunity to improve FPI's operations, recognizing the "value in change."

There has been one notable constant in FPI's 68-year-old history, and that is its mission to provide inmates with the technical skills, work ethic, and positive social values needed for successful re-entry into our communities upon release from prison. In the pages that follow, you will read more about FPI and the deliberate steps this proactive Department of Justice program is taking to move beyond *"business as usual"* to ensure continued success.

John Ashcroft
Attorney General



Message from the Board

It is our pleasure, as Federal Prison Industries' (FPI) Board of Directors, to present the corporation's Fiscal Year 2002 Annual Report to the Congress of the United States.

Since our appointment last May, we have been engaged in a steep learning curve. To help us get an understanding of the challenges facing today's FPI organization, we have visited several FPI factories and met with industry representatives and legislators. Our conclusion: FPI's mission is based upon a 1934 business model that many feel should be modified to address today's social and economic realities. The Board is committed to pursuing real change, but not without the proper analysis. Our goal is to find a balance between ensuring employment for law-abiding citizens and finding productive work opportunities for those in Federal custody.

The challenge is to create a rehabilitative program that does not negatively impact the private or public sectors. Is the answer to expand the sale of traditional FPI products, to explore non-traditional product lines, to sell our products to charitable and relief organizations, or to pursue nonindustrial markets? Until we have evaluated the feedback from all interested parties, the answer will not be apparent, but we are committed to finding an optimal solution.

Finding the best solution will require open communications, analysis, and commitment by all parties. Each Board member comes with unique credentials to face these challenges. However, we do not intend to work alone. We are committed to an "open door" environment. The Board will look to the Administration, Congress, industry, FPI staff and together, foster open dialogue and sound recommendations.

Although FPI's objective is to prepare as many inmates as practical for a successful transition into mainstream society, our mission is to do so without jeopardizing the job security of the American taxpayer.

Admittedly, our challenge is complex, but the Board believes that through persistence, commitment, and joint effort among all concerned, our objective will be ultimately achieved.

The officers and directors of FPI Inc., in 1939.

1939

When the United States entered World War II in December 1941, FPI was almost 7 years old, and it was well-enough established to make a major contribution to the war effort. Its most immediate contribution was in the manufacture of war material. Even though the number of inmates employed by FPI remained fairly stable at about 3,500, FPI increased production threefold and, in 4 years, produced more than $75 million of goods that went directly to the war effort.

WWII effort

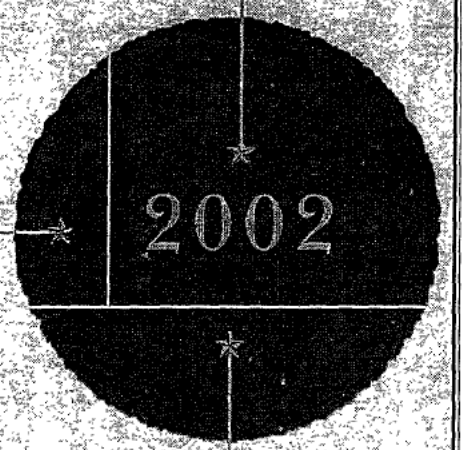
2002 Board of Directors
(from left to right)

Diane K. Morales
Donald R. Elliott
Audrey J. Roberts
Vice Chairman David D. Spears
Chairman Kenneth R. Rocks

Year in Review

2002 Federal Prison Industries Snapshot

- Inmate Workers: 21,778
- Percent of Eligible (medically able/sentenced) Population Employed: 22%
- Employment Goal: 25%
- Inmate Pay Rates: 23 cents to $1.15 per hour
- Factories: 111 factories at 71 locations
- Distribution of FPI's Revenues:



100% returned to the private sector

FPI Receives Unqualified Audit Opinion

The independent auditing firm of PricewaterhouseCoopers, LLP was retained to review and test FPI's internal accounting and administrative control systems for fiscal year (FY) 2002. The Board is pleased to announce that FPI has received an unqualified audit opinion for its FY 2002 financial statements.

SPECIAL RECOGNITION

The Department of Defense recognized FPI for its sustained performance achievements in the Pentagon Renovation/swing space project over the past two consecutive contract review periods.

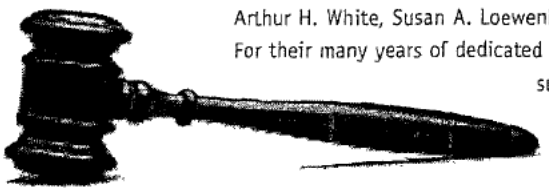
FPI was one of only a select few providers working on this project to receive an award and earned the highest performance rating of all participants.

The Pentagon Renovation management team evaluated the performance of all participating vendors on the basis of their ability to provide quality products, meet delivery and scheduling milestones, address all inquiries/issues both during and beyond normal business hours, as well as overall dependability.

FPI is most appreciative of this prestigious award, which reinforces its ongoing commitment to all Federal customers.

Departure From the Board

May 29, 2002, marked the end of service on FPI's Board of Directors for Chairman Joseph M. Aragon, Vice Chairman Arthur H. White, Susan A. Loewenberg, and Richard G. Womack. For their many years of dedicated service on the Board and ardent support of the program, we extend our gratitude and best wishes for the future.

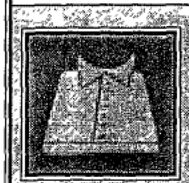
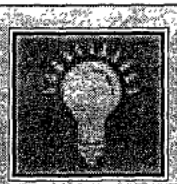
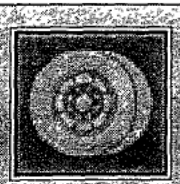
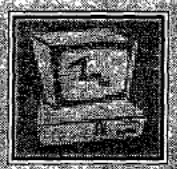
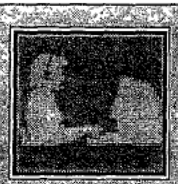


Fiscal Year 2002 Comparison

Millions of Dollars	2001	2002
Net Sales	$583.5	$678.7
Net Income	$4.9	$9
Sales Dollars Spent on Purchases from Private Sector	$425.9	$502.2
Inmates Employed	22,560	21,778

Industrial Programs, Locations, Inmate Employment, and Net Sales as of September 30, 2002

UNICOR

CLOTHING & TEXTILES	ELECTRONICS	FLEET MANAGEMENT/ VEHICULAR COMPONENTS	GRAPHICS	INDUSTRIAL PRODUCTS	OFFICE FURNITURE	RECYCLING ACTIVITIES	SERVICES
Alderson, WV	Beaumont, TX	Bastrop, TX	Cumberland, MD	Butner, NC	Allenwood, PA	Atwater, CA	Bryan, TX
Atlanta, GA	Big Spring, TX	Beaumont, TX	Fort Dix, NJ	El Reno, OK	Ashland, KY	Elkton, OH	Carswell, TX
Beaumont, TX	Danbury, CT	Estill, SC	Fort Worth, TX	La Tuna, TX	Beckley, WV	Fort Dix, NJ	Dublin, CA
Butner, NC	Fairton, NJ	La Tuna, TX	Leavenworth, KS	Leavenworth, KS	Coleman, FL	La Tuna, TX	Eglin, FL
Dublin, CA	Lexington, KY	Petersburg, VA	Lexington, KY	Lewisburg, PA	Dublin, CA	Lewisburg, PA	Elkton, OH
Edgefield, SC	Lompoc, CA	Three Rivers, TX	Lompoc, CA	Marianna, FL	Florence, CO	Marianna, FL	El Paso, TX
Fort Dix, NJ	Loretto, PA	Victorville, CA	Petersburg, VA	Pekin, IL	Forrest City, AR	Texarkana, TX	Fort Dix, NJ
Greenville, IL	Marion, IL		Sandstone, MN	Talladega, AL	Lompoc, CA		Marianna, FL
Jesup, GA	Memphis, TN		Taft, CA	Terminal Island, CA	Marianna, FL		Montgomery, AL
Leavenworth, KS	Otisville, NY				McKean, PA		Tallahassee, FL
Lee, VA	Oxford, WI				Milan, MI		
Manchester, KY	Petersburg, VA				Morgantown, WV		
Miami, FL	Phoenix, AZ				Schuylkill, PA		
Oakdale, LA	Rochester, MN				Sheridan, OR		
Pollock, LA					Taft, CA		
Ray Brook, NY					Tallahassee, FL		
Safford, AZ					Texarkana, TX		
Sandstone, MN							
Seagoville, TX							
Terre Haute, IN							
Tucson, AZ							
Waseca, MN							
Yazoo City, MS							
							
Inmates Employed†							
6,665	3,171	1,706	930	1,816	5,304	833	1,020
Net Sales*							
$159.7	$132.7	$99	$26	$27.8	$217.9	$3.4	$12.2

Some locations have multiple plants.

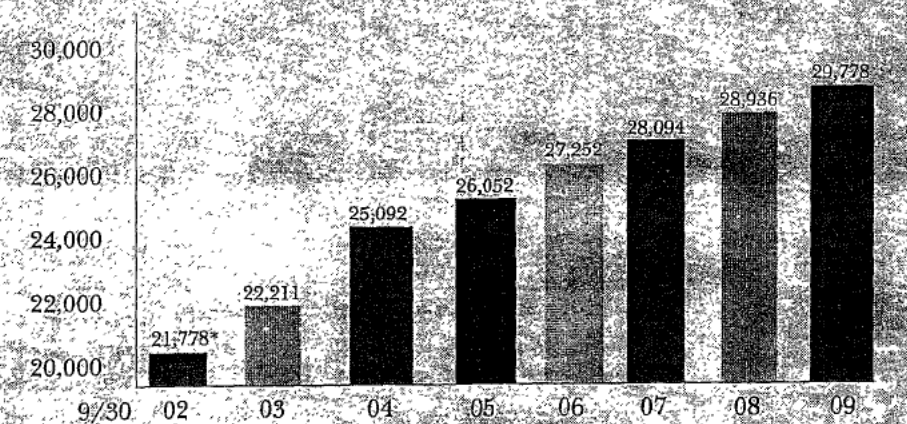
† There are an additional **333** inmates working in Customer Service and Product Support. The total number of inmates who worked for Federal Prison Industries as of **September 30, 2002**, was **21,778** (this includes **2,369** inmates employed in support positions).

* Dollars in millions

2002

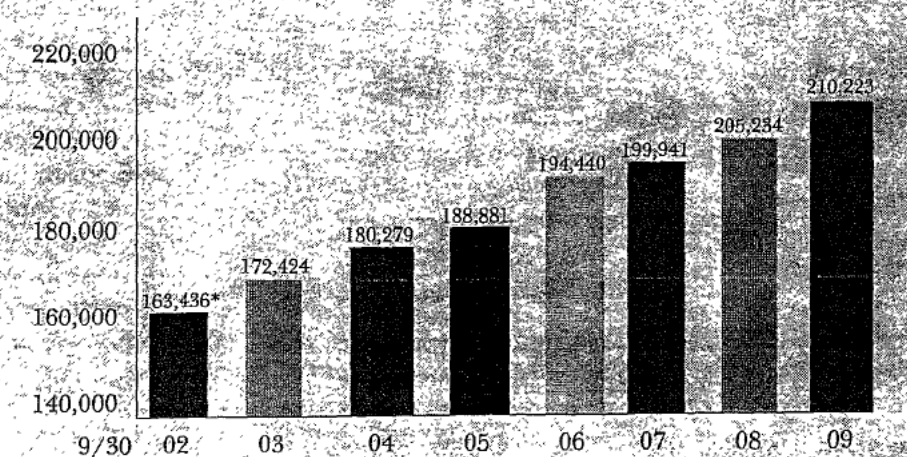
Population Growth and Inmate Jobs

Projected Inmate Job Requirements



Total jobs required for FY 2002 through FY 2009 = 8,000
Total institutions to be activated through FY 2009 = 17

Population Projections



* Actual

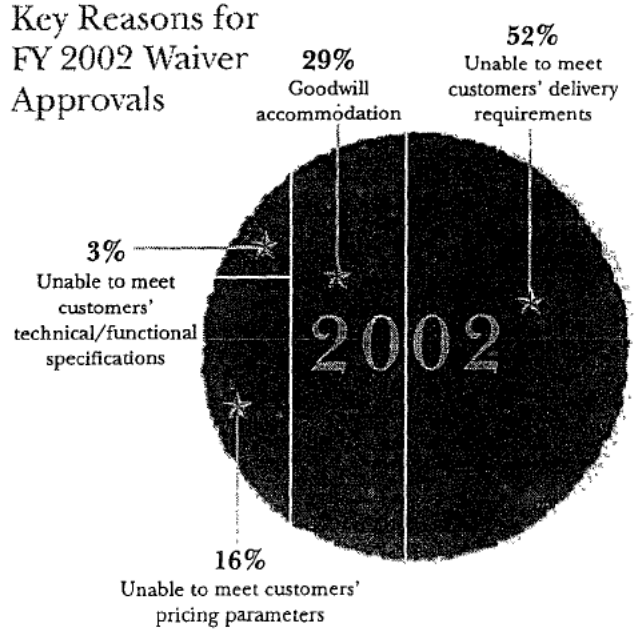
FPI Waiver and Appeal Activities

FY 2001 VERSUS FY 2002

FISCAL YEAR 2001			FISCAL YEAR 2002	
23,892		Waiver Requests	20,512	
$328,040,218		Waiver Request Dollars	$241,608,164	
$237,310,271	72%	Waiver Approval Dollars	69%	$166,312,286
$90,729,947	28%	Waiver Denial Dollars	31%	$75,295,878
334		Appeal Requests	252	
$34,303,316		Appeal Request Dollars	$14,583,668	
$23,435,948	68%	Approvals	68%	$9,970,148
$10,737,068	32%	Denials	32%	$4,613,520

Factoring in Appeal reversals, the adjusted FY 2002 Waiver Approval Rate was 73%.

Key Reasons for FY 2002 Waiver Approvals



Program Benefits

- ***to society***—Rigorous research demonstrates that participation in prison industries/vocational training programs has a positive effect on post-release employment and recidivism for up to 12 years following release. Inmates who worked in prison industries or completed vocational and apprenticeship programs were 24 percent less likely to recidivate than non-program participants and 14 percent more likely to be gainfully employed. These programs had an even greater positive impact on minority offenders, who are at the greatest risk of recidivism. FPI is entirely self-sustaining and operates at no cost to the taxpayer.

- ***to the courts, crime victims, and inmate families***—In FY 2002, inmates who worked in FPI factories contributed approximately $3 million of their earnings toward meeting their financial obligations, e.g., court-ordered fines, child support, and/or restitution. Many inmates also contributed to the support and welfare of their families by sending home a portion of their earnings.

- ***to thousands of incarcerated men and women in Federal prisons***—For many inmates, working in Federal Prison Industries represents an opportunity to learn a marketable skill and gain valuable work experience that will substantially enhance their ability to successfully reintegrate into society following release from prison. The program teaches inmates pro-social values including the value of work, responsibility, and the need to respect and work with others. Many inmates gain a sense of dignity and self-worth that they had lost or never before experienced.

- ***to private sector businesses***—During FY 2002, FPI purchased approximately $502 million of raw materials, supplies, equipment, and services from private sector businesses. Over 62 percent of FPI's purchases were from small businesses, including businesses owned by women, minorities, and those who are disadvantaged.

- ***to the Bureau of Prisons***—FPI contributes significantly to the safety and security of Federal correctional facilities by keeping inmates constructively occupied. Inmates who participate in work programs and vocational training are less likely to engage in institutional misconduct, thereby enhancing the safety of staff and other inmates.

1960s—THE "MEDICAL MODEL"

The rehabilitation philosophy reached its zenith in the 1960s. The "Medical Model"—the theory that an inmate's criminal tendencies could be diagnosed and treated, almost like a physical disease—was in vogue. In contrast to the Bureau and corrections in general. If the diagnosis showed poor socialization and inadequate work skills as the factors causing a person to turn to crime, the prescription could involve a combination of social skills counseling and vocational training.

1982-91

In 1982, the Bureau decided that inmates must demonstrate a 6th grade literacy level before they could advance beyond entry level pay status in UNICOR. In 1986, the literacy standard was increased to 8th grade level, and in 1991 a high school diploma or GED certificate became the requirement.

education

INMATE PLACEMENT PROGRAM

Established in October 1996, the IPP was created out of realization that many offenders were being released to the streets lacking even the most basic skills necessary to secure and retain employment. This program provides instruction on résumé writing, job search, and interview skills.

1996

Ombudsman's Message

Implementing the Right Changes for the Right Reasons

Jan Hynson
Ombudsman

Having served as Federal Prison Industries' Ombudsman since 1994, I have seen many improvements and considerable innovation in the breadth of FPI products, as well as increased sophistication in the level of value-added customer services offered to Federal agencies. Yet, little has changed in terms of FPI's relationship with the private sector and other representative organizations.

Seemingly, the subject of prison industries has always been a controversial one. Despite years of attempted dialogue through meetings, work groups, summits, and independent studies to find some "middle ground," today, we face the very challenges that Bureau of Prisons Director Sanford Bates and Assistant Director James Bennett confronted in the 1930s: how to create prison industrial programs to ensure prison safety and to rehabilitate those incarcerated in a manner that minimizes adverse impact on business and labor.

The many arguments and untoward sentiments over the years among the parties have led to a stalemate. As a neutral observer, it is my sense that our collective failure to progress beyond a "them/us" mentality hinges on the fact that the parties have been *speaking out,* rather than *reaching out* to each other in an effort to find meaningful consensus.

If FPI did not exist, naturally some private sector companies would receive more Federal Government business—but at what cost? The issues surrounding FPI's program are far more complex and extensive than sorting out who deserves the bigger slice of government sales. Further, there would be no guarantee that struggling companies would remain viable through increased government business, given the competitive edge other larger, more prominent companies might hold. Focus cannot be one-sided. While it is well and good for industry to think of FPI's impact on the "bottom line," the societal benefits, safe prison management, and reduced recidivism rates, that are a direct result of FPI's program, must not be ignored.

We cannot address the issues fairly by working in a vacuum or by focusing solely on self-gratification. Finding a broad-based solution requires the collaboration of all concerned, as well as the consideration of potential economic and social implications on the direct and indirect stakeholders.

With the appointment of an entirely new Board of Directors, harboring no preconceived opinion, it is an opportune time to "make things right"...but "for the right reasons."

The Board has made it clear, in dialogue with legislators, the private sector, and other business organizations, that it is committed to bringing about change so that a balance can be achieved between protecting jobs for Americans while teaching inmates meaningful job skills. Moreover, the Board will look to FPI, business leaders and members of the Congress to identify new venues that will benefit all parties, without the need for appropriated funds to maintain FPI's program.

The Board has directed that FPI's Ombudsman work in partnership with all outside parties to narrow the communications gap, identify the credible issues, and put them on the table for healthy debate and consensus resolution. To this end, in the coming year I look forward to hosting independent brainstorming sessions with the private sector and other interested parties, to identify "out of the box" solutions for joint presentation to the Board.

This is an exciting new chapter in FPI's history, and I will do my part to foster collaborative relationships and to explore workable business solutions, while maintaining the tenets of FPI's mission.

Contact FPI's Ombudsman on-line!

For general information, the latest waiver/appeal activity updates, to schedule a consultation, or to request participation in an upcoming brainstorming session, log on to UNICOR's website at www.unicor.gov. Click on "Ombudsman" and follow the prompts.

Your Direct Line to FPI's Board of Directors

FPI's Board of Directors welcomes your comments and any one of its members may be contacted at his or her respective business address. For questions specific to FPI's business practices and/or daily operations, the Board would encourage you to direct your inquiries to Federal Prison Industries, Inc., 320 First Street, NW, Washington, DC 20534, Attention: Steve Schwalb, Chief Operating Officer.

For information on upcoming Board meetings and public access opportunities, please visit FPI's website at www.unicor.gov. FPI's website also includes links to information regarding public notices, board decisions, and small business development. New this year, is a direct link to FPI's Ombudsman.

Kenneth R. Rocks
Chairman
1336 Spring Garden Street
Philadelphia, Pennsylvania 19123
Labor Representative

Mr. Rocks is Sergeant-at-Arms for the Grand Lodge Executive Board, Fraternal Order of Police. He has served as a police officer for over 31 years with the Philadelphia, Pennsylvania Police Department.

David D. Spears
Vice Chairman
2627 KFB Plaza
Manhattan, Kansas 66503
Agriculture Representative

Mr. Spears is currently Director of Kansas Farm Bureau—Agriculture Solutions. Prior to that, he served as Commissioner of the Commodity Futures Trading Commission in Washington, DC.

Donald R. Elliott
Director
1660 Indian Wood Circle
Maumee, Ohio 43537
Industry Representative

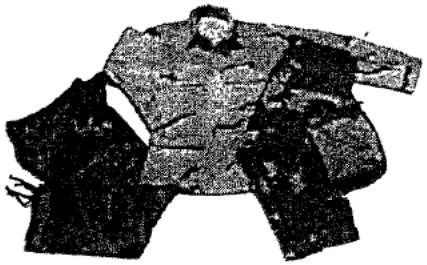
Mr. Elliott is Director of Global Hose Operations for Eaton Corporation's Fluid Power Group. He has also worked for the U.S. Department of Labor, the State of Maryland, and the banking industry.

Diane K. Morales
Director
3500 Defense Pentagon
Room 3E808
Washington, DC 20301-3500
Secretary of Defense Representative

Ms. Morales is the Deputy Undersecretary of Defense for Logistics and Materiel Readiness. She has more than 20 years of experience in both business and defense matters.

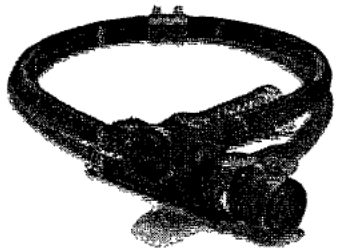
Audrey J. Roberts
Director
Post Office Box 14
Martin, Tennessee 38237
Retailers & Consumers Representative

Ms. Roberts is retired as President and Chief Administrative Officer, Martin Manufacturing Company, Martin, Tennessee. She has also served as Chairperson of the Government Contracts Committee, American Apparel and Footwear Association.



Clothing & Textiles Business Group

- *Law Enforcement, Medical, Military and Institutional Apparel*
- *Mattresses, Bedding, Linens and Towels*
- *Embroidery and Screenprinting on Textiles*
- *Custom-Made Draperies and Curtains*

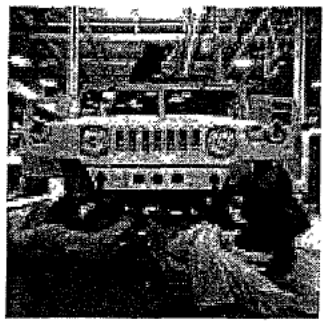


Electronics Business Group

- *Exterior and Interior Task Lighting Systems*
- *Wire Harness Assemblies and Circuit Boards*
- *Electrical Components and Connectors*
- *Electrical Cables (Both Braided and Cord Assemblies)*

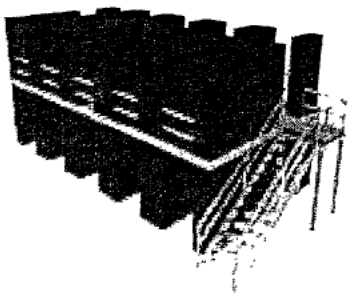
Fleet Management/ Vehicular Components Business Group

- *Rebuild and Refurbish Vehicle Components*
- *New Vehicle Retrofit Services*
- *Fleet Management Customized Services and Programs/Turnkey Solutions*



Graphics Business Group

- *Custom Engraving and Printing on Awards, Promotional Gifts, and License Plates*
- *Interior and Exterior Architectural, Safety, and Recreational Signs*
- *Printing and Creative Design Services*
- *Remanufacturing of Toner Cartridges*



Industrial Products Business Group

- *Dorm and Quarters Furnishings and Packaged Room Solutions/Turnkey*
- *Industrial Racking Catwalks, Mezzanines, Warehouse/Office Shelving*
- *Custom Fabricated Industrial Products, Lockers and Storage Cabinets*
- *Optical Eyewear (Safety and Prescription)*
- *Security Fencing*
- *Replacement Filters*

Office Furniture Business Group

- *Office Furnishings and Accessories*
- *Seating Products*
- *Casegoods and Training Table Products*
- *Office System Products*
- *Filing and Storage Products*
- *Packaged Office Solutions/Turnkey Solutions*

Recycling Activities Business Group

- *Recycling of Electronic Components*
- *Reuse and Recovery of Usable Components for Resale*
- *Recycling Activities*

Services Business Group

- *Distribution and Mailing Services*
- *Assembly and Packing Services*
- *Document Conversion*
- *Call Center and Order Fulfillment Services*
- *Laundry Services*

Report of Management

Responsibility for the integrity and objectivity of the financial information in this report rests with the management of Federal Prison Industries, Inc. The accompanying financial statements have been prepared to conform with United States generally accepted accounting principles (U.S. GAAP).

To ensure the integrity of financial data, FPI management maintains a system of internal accounting controls. The system provides reasonable assurance that transactions have management authorization and are properly recorded. It also safeguards, verifies, and maintains accountability of assets and permits preparation of financial statements that conform with U.S. GAAP. This system of internal controls is subject to periodic reviews by both management and FPI's independent auditors.

Internal accounting and administrative control systems have been reviewed and tested. Accordingly, FPI management provides the following assurances:

1. There are sufficient controls and security measures to compensate for any identified risks associated with the program/system and/or its environment,
2. The program/system is being operated in an effective manner and complies with applicable laws and regulations,
3. There is proper management of the program/system information, and
4. The program/system complies with management, financial, information resources management, accounting, budget and other appropriate standards.

The independent public accounting firm of PricewaterhouseCoopers LLP is retained to audit FPI's financial statements. The role of independent auditors is to provide an objective review of management's responsibilities to fairly report operating results, cash flows and financial position. The independent auditor's reports are presented on the following pages. The report on the fairness of the presentation of the financial statements is unqualified.

The independent auditor obtains an understanding of FPI's internal control sufficient to plan the audit and to determine the nature, timing, and extent of tests to be performed to form an opinion on the fairness of the presentation of the financial statements.

Although management may periodically adopt certain cost-effective recommendations made by the independent auditors to further strengthen FPI's system of internal control, management believes that FPI's internal and accounting control system is accomplishing its objectives.

Kathleen Hawk Sawyer

Kathleen Hawk Sawyer
Director, Federal Bureau of Prisons
Chief Executive Officer, Federal Prison Industries

PRICEWATERHOUSECOOPERS

PricewaterhouseCoopers, LLP
1301 K Street NW, Suite 800W
Washington, DC 20005-3333
Telephone (202) 414-1000

Office of the Inspector General
U.S. Department of Justice

Board of Directors
Federal Prison Industries, Inc.

We have audited the accompanying balance sheet of the Federal Prison Industries, Inc., a financial reporting component of the U.S. Department of Justice referred to herein as FPI, as of September 30, 2002, and the related statement of operations and cumulative results of operations, and cash flows, for the year then ended. These financial statements are the responsibility of FPI's management. Our responsibility is to express an opinion on these financial statements based on our audit. The financial statements of FPI as of September 30, 2001, and for the year then ended, prior to the restatement described in Note 12, were audited by other independent accountants whose report dated January 2, 2002, expressed an unqualified opinion on those statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Bulletin No. 01-02, *Audit Requirements for Federal Financial Statements.* Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the 2002 financial statements referred to above present fairly, in all material respects, the financial position of FPI at September 30, 2002, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As more fully described in Note 12, the fiscal year 2001 financial statements have been restated to properly present certain revenues in the statement of operations and cumulative results of operations.

In accordance with *Government Auditing Standards,* we have also issued a report dated December 6, 2002, on our consideration of FPI's internal control and a report dated December 6, 2002, on its compliance with laws and regulations. Those reports are an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

PricewaterhouseCoopers LLP

December 6, 2002
Washington, DC

Report of Independent Accountants on Internal Control

PRICEWATERHOUSECOOPERS

PricewaterhouseCoopers, LLP
1301 K Street NW, Suite 800W
Washington, DC 20005-3333
Telephone (202) 414-1000

Office of the Inspector General
U.S. Department of Justice

Board of Directors
Federal Prison Industries, Inc.

We have audited the financial statements of the Federal Prison Industries, Inc., a financial reporting component of the U.S. Department of Justice referred to herein as FPI, as of September 30, 2002, and for the year then ended, and have issued our reports thereon dated December 6, 2002. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Bulletin No. 01-02, *Audit Requirements for Federal Financial Statements.* The financial statements of FPI as of September 30, 2001, and for the year then ended, prior to the restatement described in Note 12, were audited by other independent accountants whose report dated January 2, 2002, expressed an unqualified opinion on those statements.

The management of FPI is responsible for establishing and maintaining accounting systems and internal control. In fulfilling this responsibility, estimates and judgments are required to assess the expected benefits and related costs of internal control policies and procedures. The objectives of internal control are to provide management with reasonable, but not absolute, assurance that: (1) transactions are properly recorded, processed, and summarized to permit the preparation of reliable financial statements in accordance with accounting principles generally accepted in the United States of America and to safeguard assets against loss from unauthorized acquisition, use or disposition; (2) transactions are executed in compliance with laws and regulations, that could have a direct and material effect on the financial statements and any other laws, regulations, and governmentwide policies identified in Appendix C of OMB Bulletin No. 01-02; and (3) transactions and other data that support reported performance measures are properly recorded, processed, and summarized to permit the preparation of performance information in accordance with criteria stated by FPI management. Because of inherent limitations in any internal control, errors or fraud may nevertheless occur and not be detected. Also, projection of any evaluation of internal control to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing our audit of FPI's financial statements, we obtained an understanding of the design of significant internal controls and whether they had been placed in operation, tested certain controls, and assessed control risk in order to determine our auditing procedures for the purpose of expressing an opinion on the financial statements. We limited our control testing to those controls necessary to achieve the objectives described above, and we did not test all controls relevant to operating objectives as broadly defined by the Federal Managers' Financial Integrity Act of 1982. Our purpose was not to provide an opinion on FPI's internal controls. Accordingly, we do not express such an opinion.

With respect to internal control relevant to data that support reported performance measures, we obtained an understanding of the design of significant internal controls relating to the existence and completeness assertions, as required by OMB Bulletin No. 01-02. Our procedures were not designed to provide assurance on internal control over reported performance measures. Accordingly, we do not provide an opinion on such controls.

PRICEWATERHOUSECOOPERS

We noted certain matters in FPI's internal control that we consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of internal control that, in our judgment, could adversely affect the entity's ability to meet the internal control objectives described in the second paragraph. Material weaknesses are reportable conditions in which the design or operation of one or more of the internal control elements does not reduce to a relatively low level the risk that errors or fraud in amounts that would be material in relation to the financial statements being audited or material to a performance measure or aggregation of related performance measures may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of internal control would not necessarily disclose all matters in internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. The reportable conditions we identified are summarized below, and with respect to the first condition, we considered it to be a material weakness:

1. The FPI information security program management and controls require improvement. (Updated Finding)

2. FPI requires improvement in the development and implementation of accounting policies and procedures designed to enable preparation of complete and accurate financial statements in accordance with generally accepted accounting principles. (New Finding)

The remainder of this report discusses the reportable conditions in more detail. Our recommendations for corrective action are also provided.

PricewaterhouseCoopers LLP
December 6, 2002
Washington, DC

Detailed information concerning the reportable conditions noted in Federal Prison Industries, Inc., internal control report can be obtained from the Department of Justice, Office of Inspector General for Audit, Office of Policy and Planning, 1425 New York Avenue, NW, Suite 5000, Washington, DC 20530 and from the Internet site at www.unicor.gov.

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Office of the Inspector General
U.S. Department of Justice

Board of Directors
Federal Prison Industries, Inc.

We have audited the financial statements of the Federal Prison Industries, Inc., a financial reporting component of the U.S. Department of Justice referred to herein as FPI, as of September 30, 2002, and for the year then ended, and have issued our reports thereon dated December 6, 2002. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Bulletin No. 01-02, *Audit Requirements for Federal Financial Statements.* The financial statements of FPI as of September 30, 2001, and for the year then ended, prior to the restatement described in Note 12, were audited by other independent accountants whose report dated January 2, 2002, expressed an unqualified opinion on those statements.

Compliance with laws and regulations applicable to FPI is the responsibility of management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of FPI's compliance with certain provisions of laws and regulations, noncompliance with which could have a direct and material effect on the determination of financial statement amounts and certain other laws and regulations specified in OMB Bulletin No. 01-02, including the requirements referred to in the Federal Financial Management Improvement Act (FFMIA) of 1996. However, the objective of our audit of the financial statements was not to provide an opinion on overall compliance with such provisions and, accordingly, we do not express such an opinion.

The results of our tests of compliance with the laws and regulations described in the preceding paragraph, exclusive of FFMIA, disclosed the following instance of noncompliance that was reported under *Government Auditing Standards* and OMB Bulletin No. 01-02: FPI did not assess interest and penalties on past-due debt with the public in accordance with FPI's policy and provisions of the Debt Collection Improvement Act of 1996.

Under FFMIA, we are required to report whether FPI's financial management systems substantially comply with (1) the Federal financial management systems requirements, (2) the applicable Federal accounting standards, and (3) the United States Standard General Ledger at the

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transaction level. The results of our tests disclosed the following instance where FPI's financial management systems did not substantially comply with the three FFMIA requirements discussed in this paragraph:

Federal Financial Management System Requirements: During fiscal year 2002, FPI did not have adequate controls over information security program management, as noted in our Report of Independent Accountants on Internal Control, dated December 6, 2002, which contains our findings and recommended remedial actions. Specifically, FPI was not in compliance with OMB Circular A-130, *Management of Federal Information Systems*, and other applicable federal information security requirements.

This report is intended solely for the information and use of the U.S. Department of Justice Office of the Inspector General, management of the Department of Justice, FPI's Board of Directors, the OMB, and Congress. This report is not intended to be and should not be used by anyone other than these specified parties.

PricewaterhouseCoopers LLP

December 6, 2002
Washington, DC

Balance Sheets

September 30 (DOLLARS IN THOUSANDS)	2002	2001
Assets		
Current:		
Cash and cash equivalents:	$108,247	$54,397
Accounts receivable, net	92,883	88,364
Inventories, net	141,847	140,767
Other assets	2,025	1,835
Total current assets	345,002	285,363
Property, plant, and equipment, net	127,202	132,094
Total Assets	472,204	417,457
Liabilities and United States Government Equity		
Current:		
Accounts payable	44,824	40,806
Deferred revenue	83,834	45,177
Accrued salaries and wages	6,988	11,408
Accrued annual leave	8,065	7,537
Other accrued expenses	12,669	5,751
Total current liabilities	156,380	110,679
FECA actuarial liability	7,935	7,979
Note payable to United States Treasury	20,000	20,000
Total Liabilities	184,315	138,658
United States Government Equity		
Initial capital	4,176	4,176
Donated property	—	143
Cumulative results of operations	283,713	274,480
Total United States Government Equity	287,889	278,799
Total Liabilities and United States Government Equity	$472,204	$417,457

The accompanying notes are an integral part of these financial statements.

Statements of Operations and Cumulative Results of Operations

Fiscal years ended September 30 (DOLLARS IN THOUSANDS)	2002	2001 (Restated)
Revenue:		
Net sales	$678,655	$583,500
Other revenue	38,207	18,476
Total revenue	716,862	601,976
Cost of revenue:		
Cost of sales	603,303	518,807
Cost of other revenue	41,497	22,518
Total cost of revenue	644,800	541,325
Gross profit	72,062	60,651
Operating expenses:		
Sales and marketing	8,788	6,520
General and administrative	66,335	61,086
Total operating expenses	75,123	67,606
Loss from operations	(3,061)	(6,955)
Interest income	1,409	1,424
Interest expense	(172)	(987)
Other income, net	10,914	11,463
Net income	9,090	4,945
Cumulative results of operations, beginning of fiscal year	274,480	269,535
Donated property reclassified to cumulative results of operations	143	—
Cumulative results of operations, end of fiscal year	$283,713	$274,480

The accompanying notes are an integral part of these financial statements.

Statements of Cash Flows

Fiscal years ended September 30

(DOLLARS IN THOUSANDS)	2002	2001
Cash Flows From Operating Activities		
Net income	$9,090	$4,945
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	12,404	11,887
Loss on disposal of property, plant and equipment	278	260
Changes in:		
Accounts receivable	(4,520)	14,916
Inventories	(1,080)	(23,704)
Other assets	(190)	1,463
Accounts payable and accrued expenses	7,001	(13,601)
Deferred revenue	38,657	23,335
Net cash provided by operating activities	61,640	19,501
Cash Flows From Investing Activities		
Purchases of property, plant, and equipment	(7,771)	(2,811)
Construction-in-progress of plant facilities	(19)	(889)
Construction reimbursement from Bureau of Prisons	—	1,242
Net cash used in investing activities	(7,790)	(2,458)
Net increase in cash	53,850	17,043
Cash and cash equivalents, beginning of fiscal year	54,397	37,354
Cash and cash equivalents, end of fiscal year	$108,247	$54,397

The accompanying notes are an integral part of these financial statements.

Note 1

Organization and Mission

Federal Prison Industries, Inc. (FPI) was established in 1934 by an act of the United States Congress. FPI operates under the trade name UNICOR, as a wholly owned federal government corporation within the Department of Justice, and functions under the direction and control of a Board of Directors (the Board). Members of the Board are appointed by the President and represent retailers and consumers, agriculture, industry, labor, the Attorney General, and the Secretary of Defense. FPI's statutory mandate is to provide employment and training for inmates in the Federal Prison System while remaining self-sufficient through the sale of its products and services.

FPI's federal government customers include departments, agencies, and bureaus such as the Department of Justice, the Department of Defense, the Postal Service, the Veterans Administration, and the General Services Administration. These and other federal organizations are required to purchase products from FPI, if its products meet the customer's price, quality, and delivery standards, under a mandatory source preference specified in FPI's enabling statute and the Federal Acquisition Regulation.

As of September 30, 2002, FPI had industrial operations at 111 factories located at 71 facilities within the Federal Prison System; these factories employed over 21,000 inmates representing approximately 18% of the total federal inmate population.

Note 2

Summary of Significant Accounting Policies

Basis of Presentation

FPI has historically prepared its external financial statements in conformity with accounting principles generally accepted in the United States of America (US GAAP), based on accounting standards issued by the Financial Accounting Standards Board (FASB), the private sector standards-setting body. The Federal Accounting Standards Advisory Board (FASAB) has been designated as the standards-setting body for federal financial reporting entities with respect to the establishment of US GAAP. FASAB has indicated, however, that accounting standards published by FASB may also be in accordance with US GAAP for those federal entities, including FPI, that have issued such financial statements in the past.

Use of Estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates.

Cash and Cash Equivalents

FPI considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents. FPI limits its investment activities and cash equivalents to short-term overnight repurchase agreements with the United States Department of the Treasury. The market value of these overnight repurchase agreements is equivalent to cost.

Accounts Receivable / Concentration of Credit Risk
Financial instruments that potentially subject FPI to concentrations of credit risk consist primarily of accounts receivable. FPI sells products and services to various federal government departments, agencies, and bureaus, as well as certain private sector companies, without requiring collateral Accounts receivable consists of amounts due from those entities and is stated net of an allowance for doubtful accounts.

FPI routinely assesses the payment histories of its federal customers and the financial strength of its private sector customers and maintains allowances for anticipated losses as they become evident. In this regard, a significant amount of accounts receivable remained past due at September 30, 2002 and 2001. A majority of these past due items related to billings to various entities within DOD who rely on the Defense Finance and Accounting Service (DFAS) to process vendor payments. Historically, customer payments processed through DFAS have generally taken longer to receive than payments from other federal and private sector customers. FPI believes that ultimately, a majority of its past-due accounts receivable are fully collectable. The amount due FPI from DOD for fiscal years ended September 30, 2002 and 2001, was $74,913 and $71,810 respectively.

While federal accounts receivable are normally fully collectable in accordance with federal law, FPI has established an allowance for future losses against its federal accounts receivable to account for potential billing errors related to pricing and customer discounts, as well as instances of expired or cancelled funding from its federally appropriated customers. At September 30, 2002 and 2001, FPI's allowance for doubtful accounts is stated at approximately $5,034 and $5,778, respectively, of which approximately $4,447 and $4,781, respectively, represents the amounts allocated against federal accounts receivable.

Inventories
Inventories are valued at the lower of average cost or market value (LCM) and include materials, labor, and manufacturing overhead. Market value is calculated on the basis of the contractual or anticipated selling price, less allowances, to maintain a target gross margin for each product. FPI values its finished good and subassembly items at a standard cost that is periodically adjusted to approximate actual cost.

FPI has established inventory allowances to account for LCM adjustments and excess and/or obsolete items that may not be utilized in future periods.

Revenue Recognition
FPI sells a wide range of products and services to a diversified base of customers, primarily governmental departments, agencies, and bureaus. Revenue from product sales and services, including delivery fees, are reported net of estimated returns and allowances and are recognized when the related goods are shipped and all significant obligations of FPI have been satisfied. Provisions for anticipated contract losses are recognized at the time that they become evident.

FPI offers its customers the promise of an "Escape Proof Guarantee" on the products it manufactures. FPI Management has analyzed the historical pattern of sales returns and the adequacy of the sales returns and allowances. In this regard, management has established an estimate of future returns related to current period product revenue.

Deferred revenue is comprised of customer cash advances, which have been paid to FPI prior to the manufacturing of goods, delivery of goods, or performance of services.

Other income is comprised primarily of imputed financing for retirement, health benefits, and life insurance (Note 9).

Property, Plant and Equipment
Property, plant and equipment are stated at cost, net of an allowance for accumulated depreciation. Donated property and equipment, which is recorded at its appraised value at the date of donation, principally relates to property and equipment transferred from other federal government agencies and bureaus. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, which generally range between three and 40 years. Upon retirement or disposition of property and equipment, the related gain or loss is reflected in the statement of operations. Repairs and maintenance costs are expensed as incurred.

FPI adopted the provisions of Standards of Federal Financial Accounting Statements No. 10, Accounting for Internal Use Software, for the fiscal year ended September 30, 2001.

Taxes
As a wholly owned corporation of the federal government, FPI is exempt from federal and state income taxes, gross receipts taxes, and property taxes.

Reclassifications
Certain fiscal year 2001 financial statement line items have been reclassified to conform to the current year presentation.

Note 3

Accounts Receivable, Net

Accounts receivable, net consists of the following:

September 30	2002	2001
Intragovernmental billed receivables	$92,349	84,781
Private sector billed receivables	5,568	9,361
	97,917	94,142
Less allowance for doubtful accounts	5,034	5,778
Accounts receivable, net	$92,883	$88,364

Note 4

Inventories, Net

Inventories, net consist of the following:

September 30	2002	2001
Raw materials	$ 46,229	$ 54,462
Raw materials—vehicles	24,886	17,510
Work-in-process	31,546	22,148
Finished subassemblies	7,816	6,686
Finished goods	30,951	30,801
Finished goods—acceptance contracts	12,215	22,421
	153,643	154,028
Less inventory allowance	11,796	13,261
Inventories, net	$141,847	$140,767

Approximately $24,900 of FPI's fiscal year 2002 and $17,500 of FPI's fiscal year 2001 raw materials balance represents vehicles and component parts that have been purchased on behalf of the Immigration and Naturalization Service (INS) for retrofit services that are performed by FPI. As part of an interagency agreement, INS provides funding to FPI to procure these vehicles. Revenue is recognized by FPI at the time of shipment of retrofitted vehicles to INS.

Approximately $12,200 of FPI's fiscal year 2002 and $22,400 of FPI's fiscal year 2001 finished goods balance represents goods that have been shipped to customers or their agents, but for which revenue has not been recognized because of acceptance criteria within the customer contract. A majority of this amount consists of systems furniture installations in progress at September 30, 2002.

Note 5

Property, Plant, and Equipment, Net

Property, plant, and equipment, net consists of the following:

September 30	2002	2001
Machinery and equipment	$ 91,296	$ 93,033
Computer hardware	2,740	2,504
Computer software	6,806	1,259
Buildings and improvements	166,321	166,250
	267,163	263,046
Less accumulated depreciation	140,072	131,044
	127,091	132,002
Factory construction-in-progress	111	92
Property, plant and equipment, net	$127,202	$132,094

Depreciation and amortization expense approximated $12,404 and $11,887 for the fiscal years ended September 30, 2002 and 2001, respectively.

Note 6

Other Accrued Expenses

Other accrued expenses consist of the following:

September 30	2002	2001
Permanent change of station	$1,662	$1,536
Information systems	3,614	1,076
FECA liability—current portion	764	799
Other expenses	6,629	2,340
Other accrued expenses	$12,669	$5,751

Information systems included $2,300 for software licenses that are capitalized and $1,314 for communication expenses. Other expenses included $2,067 for materials in transit, $900 for financial audit expenses, $1,768 for utilities, and the remainder for other services.

Note 7

Note Payable to United States Treasury

Congress has granted FPI borrowing authority pursuant to Public Law 100-690. Under this authority, FPI has borrowed $20,000 from the United States Treasury ("the Treasury") with an extended lump-sum maturity date of September 30, 2008. The funds received under this note have been internally restricted for use in the construction of plant facilities and the purchase of equipment. The note accrues interest, payable March 31 and September 30 of each fiscal year at 5.5% (the rate equivalent to the yield of United States Treasury obligations of comparable maturities which existed on the date of a note maturity extension, granted in fiscal year 1998). Accrued interest payable under the note is either fully or partially offset to the extent FPI maintains non-interest bearing cash deposits with the Treasury. In this regard, there is no accrual of interest unless FPI's daily cash balance on deposit with the Treasury is less than the unpaid principal balance of all note advances received, as determined by a monthly calculation performed by the Treasury. When FPI's daily cash balance is less than the unpaid principal balance of all note advances received, interest is calculated by the Treasury on the difference between these two amounts. The note agreement provides for certain restrictive covenants and a prepayment penalty for debt retirements prior to 2008. Additionally, the agreement limits authorized borrowing in an aggregate amount not to exceed 25% of FPI's net equity.

There was no interest expense related to this note for the fiscal years ended September 30, 2002 and 2001.

Note 8

Business Segments

FPI's businesses are organized, managed, and internally reported as eight operating segments based on products and services. These segments are Clothing and Textiles; Electronics; Fleet Management and Vehicular; Graphics; Industrial Products; Office Furniture; Recycling; and Services and Product Distribution. These segments have responsibility for virtually all of FPI's product lines. FPI is not dependent on any single product as a primary revenue source; however, it is dependent on the federal government market for the sale of its products. FPI's net sales for the fiscal years ended September 30, 2002 and 2001, for each of its business segments is presented for comparative purposes.

Net Sales		
Fiscal year ended September 30	2002	2001
Business Segment		
Clothing and Textiles	$159,730	$157,391
Electronics	132,662	116,732
Fleet Management and Vehicular Components	99,054	31,334
Graphics	26,006	29,044
Industrial Products	27,782	59,946
Office Furniture	217,852	174,918
Recycling Activities	3,359	5,499
Services	12,210	8,636
Net sales	$678,655	$583,500

Regulatory Compliance
FPI's ability to add or to expand production of a specified product is regulated by the Federal Prison Industries Reform Act (the Act). The Act provides specific guidelines to FPI regarding its methodology for evaluating and reporting new or expanded products, including requiring FPI to provide direct notice to trade associations and interested parties of such actions. Finally, publication of annual decisions of the FPI Board of Directors and semiannual sales disclosures are mandated under the Act.

Note 9

Intra-Department of Justice (DOJ) / Intragovernmental Financial Activities

FPI's financial activities interact with and are dependent upon those of DOJ and the federal government as a whole. The following is a discussion of certain intra-DOJ and intragovernmental activities and their relationship with FPI.

Relationship with the Federal Bureau of Prisons
FPI and the Federal Bureau of Prisons (BOP) have a unique relationship in that the nature of their respective missions requires the sharing of facilities and responsibilities relative to the custody, training, and employment of federal inmates. The Director of the BOP serves as the Chief Executive Officer of FPI and the Chief Operating Officer of FPI serves as an Assistant Director of the BOP. The BOP provides land to FPI for the construction of its manufacturing facilities, and both FPI and BOP share certain facilities generally at no cost to FPI.

Self Insurance
In accordance with federal government policy, FPI is uninsured with respect to property damage, product liability, and other customary business loss

exposures. Losses incurred are absorbed as a current operating expense or, if they are induced by factors related to FPI's relationship with the Federal Prison System, may be reimbursed by BOP. Certain other costs, principally relating to personal injury claims, are paid directly by the federal government.

Federal Employees Compensation Act

The Federal Employees Compensation Act (FECA) provides income and medical cost protection to federal civilian employees injured on the job, employees who have incurred a work-related occupational disease, and beneficiaries of employees whose death is attributable to a job related injury or occupational disease. The United States Department of Labor (DOL), which administers FECA, annually charges each federal agency and department for its applicable portion of claims and benefits paid in the preceding year. During the fiscal years ended September 30, 2002 and 2001, such claims and benefits, as charged to FPI, approximated $737 and $799, respectively, for which the related current liability is disbursed in the subsequent period.

DOL also calculates the liability of the federal government for future claims and benefits, which includes the estimated liability of death, disability, medical, and other approved costs. Future claims and benefits are determined from an actuarial extrapolation, utilizing historical benefit payment patterns and calculations of projected future benefit payments discounted to current value over a 23.5 year period. FPI's estimated future liability approximated $7,935 and $7,979 at September 30, 2002 and 2001, respectively.

Retirement

Substantially all of FPI's civilian employees are covered under either the Civil Service Retirement System (CSRS) or the Federal Employees Retirement System (FERS). For employees covered under CSRS (those employees hired prior to January 1, 1984), FPI contributes approximately 8.51 percent (for normal retirement) or 9.01 percent (for hazardous duty retirement) of each employee's salary. CSRS covered employees do not have Federal Insurance Contributions Act (FICA) withholdings and, thus, are not fully eligible to receive Social Security benefits. For employees covered under FERS (generally those employees hired on or after January 1, 1984) FPI contributes 10.7 percent (for normal retirement) or 23.3 percent (for hazardous duty retirement).

Under FERS, employees also receive retirement benefits from Social Security and, if applicable, benefits from a defined contribution plan (thrift). Under the thrift plan, an employee may contribute (tax deferred) up to 12 percent of salary to an investment fund. FPI then matches this amount up to 5 percent. Those employees which elected to remain under CSRS after January 1, 1984, continue to receive benefits in place and may also contribute (tax deferred) up to 7 percent of their salary to the thrift plan, but with no matching amount contributed by FPI.

CSRS and FERS are multi-employer plans. Although FPI funds a portion of pension benefits relating to its employees and provides for the necessary payroll withholdings, it does not maintain or report information with respect to the assets of the plans, nor does it report actuarial data with respect to accumulated plan benefits or the pension liability relative to its employees. The reporting of such amounts is the responsibility of the U.S. Office of Personnel Management.

FPI's contribution to both plans was approximately $22,340 and $20,580 for the years ended September 30, 2002 and 2001, respectively.

Health Benefits and Life Insurance

FPI, through the Office of Personnel Management (OPM), offers health and life insurance plans under which premium costs for health care are shared between FPI and the employees. A substantial portion of life insurance premiums are paid for by employees. Amounts paid by FPI for health care and life insurance benefits approximated $6,727 and $5,869 for the fiscal years ended September 30, 2002 and 2001, respectively.

OPM also provides health care and life insurance benefits for FPI's retired employees. Based on the requirements of SFFAS No. 5, FPI must recognize an expense related to its share of the cost of such postretirement health benefits and life insurance on a current basis (while its employees are still working), with an offsetting credit to other income. Costs in this regard, which approximated $5,143 and $4,406 during the fiscal years ended September 30, 2002 and 2001, respectively, were determined by OPM utilizing cost factors which estimate the cost of providing postretirement benefits to current employees. However, because of the offsetting credit, the recording of these costs have no impact on reported net income or cash flows.

Future postretirement health care and life insurance benefit costs are not reflected as a liability on FPI's financial statements, as such costs are expected to be funded in future periods by OPM.

Note 10

Selling, General, and Administrative Expenses

Selling, general, and administrative expenses consist of the following:

Selling, general, and administrative expenses		
Fiscal year ended September 30	**2002**	**2001**
Salaries, wages, and benefits	$29,714	$26,913
Permanent change of station expense	1,901	414
Purchases of minor equipment	974	758
Contract services	9,388	3,102
Bad debt expense	4,957	10,417
Credit card services	1,733	2,193
Travel	2,020	1,842
Customer goodwill	1,039	328
Personal computer expense	1,864	1,271
Depreciation	2,883	3,021
Other expense	10,482	9,724
Imputed pension costs	3,025	3,217
Imputed postretirement health care and life insurance cost	5,143	4,406
	$75,123	$67,606

Other expense is comprised primarily of imputed financing expenses, inmate wages, and certain sales and marketing expenses. Contract services consist primarily of consulting and sales and marketing fees. Salaries, wages, and benefits are shown net of the imputed financing offsetting credit (Note 9).

Note 11

Commitments and Contingencies

Legal Contingencies

The legal contingency from fiscal year 2001 was settled subsequent to fiscal year end for $1,500. At September 30, 2002, FPI was party to no legal proceedings that are expected to result in a probable loss however, management estimates that the range for reasonably possible losses related to other legal matters is estimated to be $500 as of September 30, 2002.

Lease Commitments

FPI leases certain facilities, machinery, vehicles, and office equipment under noncancelable operating lease agreements that expire over future periods. Many of these lease agreements provide FPI with the option (after initial lease term) to either purchase the leased item at the then fair value or to renew the lease for additional periods of time. Future minimum rental payments required under operating leases that have initial or remaining noncancelable lease terms in excess of one year as of September 30, 2002, are as follows: fiscal year 2003-$625; fiscal year 2004-$219; fiscal year 2005-$153; fiscal year 2006-$115; fiscal year 2007-$48; and fiscal years after 2007-$3.

Planned Construction

As of September 30, 2002, various projects were in progress for the construction of new industrial facilities and the renovation of existing facilities. In this regard, BOP, on behalf of FPI, is planning to invest a total of approximately $14,800, provided from their fiscal year 2001 and 2002 buildings and facilities appropriations, during the next fiscal year for the construction of buildings and improvements. In addition, during the next fiscal year, FPI is planning to invest approximately $7,400 for the purchase of machinery and equipment.

Congressional Limitation on Administrative Expenses

Congress has imposed an annual spending limit on certain administrative expenses relating to FPI's central office management. These costs include salaries for management personnel, travel expenses, and supplies. The following is a comparison of actual expenses to the limitation imposed:

Congressional limitation on administrative expenses		
Fiscal years ended September 30	2002	2001
Congressional limitation on expenses	$3,429	$3,429
Expenses incurred subject to Congressional limitation	$1,254	$1,195

Note 12

Restatement of Prior Year Financial Statements (Unaudited)

Prior to fiscal year 2002, FPI presented certain revenues (primarily shipping costs billed to customers and installation revenues), net of related costs, as a component of "other income, net." Emerging Issues Task Force, Issue No. 00-10, "Accounting for Shipping and Handling Fees and Costs," which was effective for FPI beginning in fiscal year 2001, does not permit the netting of these revenues and costs and requires such amounts to be reflected as "revenues" and "cost of revenues"; accordingly, the fiscal year 2001 Statement of Operations has been restated. This change did not affect net income, assets, liabilities, equity, or cash flows. The effect of the restatement is summarized below:

Restatement of Statement of Operations *Fiscal year ended September 30*	2001 (As Restated)	2001 (As Originally Presented)
Total revenue	$601,976	$583,500
Total cost of revenue	541,325	518,807
Gross profit	60,651	64,693
Loss from operations	(6,955)	(2,913)
Other income, net	11,463	7,421
Net income	4,945	4,945

U.S. Department of Justice

UNICOR

Federal Prison Industries, Inc.

Designed by KOTA

This Annual Report was printed at the UNICOR Print Plant, Federal Correctional Institution, Petersburg, VA

CA/AR2002

U.S. Small Business Administration

To: Joseph Gob, Jr.

Organization: Creative Recycling Systems

Phone: Fax: 813-626 1248

Date: 2/4/05 Time:

From: Vincent J. Mazzotta

Office: SBA - Office of Government Contracting - Area 2

Phone: (215) 580-2809 Fax: (215) 580-2776

No. of pages (including this cover sheet):

Message:

Did you know that in fiscal 2001 the SBA --

- backed more than $16.5 billion in financing to America's small businesses?
- approved more than 50,000 loans totaling almost $12.2 billion?
- invested $4.5 billion in small businesses through its venture-capital program?
- provided more than 48,000 loans totaling more than $1 billion to disaster victims for residential, personal-property and business loans?
- gave management and technical assistance to an estimated 1.3 million entrepreneurs through its grant programs and resource partners?
- responded to almost a quarter million telephone and e-mail inquiries at the SBA Answer Desk?

Did you know that America's 25 million small businesses --

- employ more than 58 percent of the private work force?
- generate more than 51 percent of the nation's gross domestic product?
- are the principal source of new jobs?

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1-800-U ASK SBA
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U.S. SMALL BUSINESS ADMINISTRATION
Office of Government Contracting - Area 2
Robert N.C. Nix Federal Building
900 Market Street - 5th Floor
Philadelphia, PA 19107

February 3, 2005

Federal Prison Industries
a/k/a UNICOR
320 First St., NW,
4th Floor
Washington, DC 20531

Attention: Lawrence Novicky

Subject: Size Determination Case No: 2-2005-23 & 42
Requested by: Global Investment Recovery, Inc.
Creative Recycling Systems, Inc.
Solicitation Number: ER-HQ-03-12341
Procuring Activity EPA
NAICS Code: 562219
Size Standard: $10.5 million

Dear Mr. Novicky:

The Small Business Administration (SBA) has made a formal size determination that your business is other than small under the size standard listed above. A copy of the formal size determination is enclosed.

Section 16(d) of the Small Business Act, 15 U.S.C. 645(d), provides severe criminal penalties for knowingly misrepresenting the small business size status of a concern in connection with procurement programs.

Any person adversely affected by this decision may appeal to SBA's Office of Hearings and Appeals (OHA). An appeal petition must be filed with OHA at the following address:

Office of Hearings and Appeals
U.S. Small Business Administration
409 Third Street, S.W.
Washington, DC 20416

An appeal petition must include the following information:

- the Area Office which issued the size determination;
- the solicitation or contract number;
- name, address and telephone number of the contracting officer;
- the date of receipt of the size determination;
- a full and specific statement as to why the size determination is alleged to be in error, together with argument supporting such allegations; and
- the name, address, telephone number and signature of the appellant or its attorney.

A copy of the OHA regulations (13 CFR Part 134) is enclosed for your assistance. Please read them carefully for very specific filing instructions.

If additional information or assistance is needed please contact Vincent Mazzotta on 215-580-2809 or Email address vincent.mazzotta@sba.gov.

Sincerely,

Vincent J. Mazzotta
Size Determination Specialist

Enclosures: size determination
13 CFR Part 134 (OHA regulations)

cc: Global Investment Recovery, Patricia E. Frank
Creative Recycling Systems, Inc., Joseph C. Yob, Jr.
David F. Fuller Contracting Officer

SMALL BUSINESS ADMINISTRATION
Office of Government Contracting
Area 2

SIZE DETERMINATION

Case No. 2-2005-23 & 42

Date: February 3, 2005
Firm: Federal Prison Industries a/k/a UNICOR
Address: Washington, DC
Solicitation No.: RFQ-DC-04-00083
NAICS Code: 562219
Size Standard: $10.5 million

INTRODUCTION:

This size determination is issued by the Area 2 Office of Government Contracting, U.S. Small Business Administration, pursuant to 13 CFR §121.

On March 19, 2004, the Environmental Protection Agency ("EPA") issued a solicitation (solicitation # RFQ-DC-04-00083) for Recycling Electronics and Asset Disposition ("READ") Services under a Government Wide Acquisition Contract ("GWAC") as a small business set-aside. The solicitation was to acquire services under NAICS code 562219, 562920, and 562211. On December 16, 2004 eight awards were made under the READ GWAC, one of which, a National contract, went to the Federal Prison Industries ("FPI") a/k/a UNICOR. Unsuccessful offerors were notified by letter dated December 15, 2004 that successful offerors had been selected for this procurement.

Global Investment Recovery ("Global"), an interested party who was awarded the western portion of this contract, received notification of award to FPI via EPA's website. Global protested the award made to FPI on the basis that it is a large business and not an entity organized for profit and, as such, would not be eligible for a small business set-aside award.

Also, an unsuccessful offeror, Creative Recycling Solutions, Inc. ("Creative") filed an oral protest with the contract specialist on December 21, 2004 and filed a written protest on December 22, 2004, alleging that FPI is not eligible for award because it is not a small business concern. Creative provided financial statements and other documentation supporting its claim.

Both protests were timely and specific and were combined for purposes of making a size determination.

EVIDENCE:

Upon receipt of this protest, this office requested that FPI respond to the allegations, complete and return SBA Form 355, and provide Articles of Incorporation, bylaws, and complete financial statements and Federal income tax returns for the last three fiscal years preceding self-certification for this procurement.

FPI responded to the allegations by stating that it is eligible to compete for this procurement because recent changes in the law now define small business set asides as including FPI. FPI contends that the protest should be denied.

FPI stated that as part of the Consolidated Appropriations Act for FY 2004 (P.L. 108-199), Congress passed section 637 (Division F) which reads:

> "None of the funds made available under this or any other Act for fiscal year 2004 shall be expended for the purchase of a product or service offered by Federal Prison Industries, Inc., unless the agency making such purchase determines that such offered product or service provides the best value to the buying agency pursuant to Government-wide procurement regulations, issued pursuant to section 25(c) (1) of the Office of Federal Procurement (41 U.S.C. 421 (c) (1)) that impose procedures, standards, and limitations of section 2410n of title 10, United States Code."

FPI stated that the above provision applies to both products and services and was renewed for fiscal 2005 and each year thereafter. Consolidated Appropriations Act for FY 2005, Division H, § 637 (P.L. 108-447).

In addition, FPI stated that on March 26, 2004, the Federal Acquisition Regulations ("FAR") Council issued an interim rule (published in volume 69 F.R. 16148-51) amending FAR Parts 8, 19, 42, and 52, in accordance with Section 637. FPI stated that FAR Part 19, Small Business Programs, was amended by adding section 19.504, which requires agencies to "include FPI in the solicitation process and consider a timely offer from FPI." FPI noted that FAR clause 52.219-6 was amended with respect to small business set-asides to include FPI. The amended clause reads as follows:

> "(b) General. (1) Offers are solicited only from small business concerns and Federal Prison Industries, Inc. (FPI). Offers received from concerns that are not small business concerns or FPI shall be considered nonresponsive and will be rejected. (2) Any award resulting from this solicitation will be made to wither a small business concern or FPI."

FPI also noted that the Department of Defense issued a final rule on November 13, 2003, which amended the Defense Federal Acquisition Regulations (DFARS), which was identical to the interim rule noted above.

In summary, FPI contends that recent changes in the law allow it to compete for all competitive procurements, even those established as small business set-asides. FPI asserts that the protest must be denied. It is noted that FPI only provided a response to the allegations stated in the protests and did not provide any other documentation.

FINDINGS:

Under all three of the NAICS codes (562219, 562920, and 562211) for the solicitation issued by EPA, the applicable size standard is $10.5 million in annual receipts. For the purpose of calculating annual receipts, 13 CFR 121.104 (c) (1) provides as follows:

> Annual receipts of a concern that has been in business for three or more completed fiscal years means the total receipts of the concern over its most recently completed three fiscal years divided by three.

FPI's website provides financial information that reflects average revenues well over the applicable size standard of $10.5 million. Moreover, FPI does not dispute or challenge its actual business size. Therefore, it is determined that FPI is other than a small business concern.

Besides exceeding the applicable size standard of $10.5 million in annual receipts, FPI does not even qualify as a "business concern" eligible to bid on set asides for small business concerns. Our regulations at 13 CFR 124.105(a) state that a "business concern eligible for assistance from SBA as a small business is a business entity organized for profit..." FPI is a non-profit entity. Therefore, for this reason as well as its annual receipts, it is determined that FPI is other than a small business concern.

However, as outlined above, FPI nevertheless contends that amendments to FAR Parts 8, 19, 42, and 52 enable it to compete on small business set-aside procurements. It is noted that FPI's contentions would be correct if EPA were acquiring supplies rather than services. However, a significant fact that must be noted is that the instant procurement is for ***services*** and not ***supplies***. The interim rule cited by FPI excepts services from the competitive process contained in FAR 8.602(b)(4) requiring the inclusion of FPI.

Initially, it is helpful to examine the language of FAR 19.504 which states that "[w]hen using competitive procedures in accordance with 8.602(b)(4), agencies shall include Federal Prison Industries, Inc. (FPI), in the solicitation process and consider a timely offer from FPI." Hence, it is clear that agencies are only required to include FPI in the solicitation process when using the competitive procedures contained in FAR 8.602(b)(4). In reading FAR 8.602(b)(4), it indicates that competitive procedures, including those under subpart 19.5 of the FAR, must include FPI for items listed on the FPI Schedule. However, there is no mention of services being included in the competitive procedures of FAR 8.602(b)(4). Moreover, subsection (c) goes on to state that "[t]he [competitive] procedures in paragraph (b) of this section do not apply if an exception in 8.605 applies and the purchase is made from a source other than FPI." In other words, FPI need not be included in the competitive process as outlined in 8.602(b)(4) if 8.605 contains an exception applicable to a particular solicitation. The pertinent exception in this case appears at 8.605(f) which provides that purchase from FPI is not mandatory if the solicitation involves "acquiring services." In light of this exception, FPI need not be included in the competitive process and, in fact, the solicitation does not contain Alternate II of FAR 52.219-6 soliciting offers from FPI in addition to small business concerns.

The argument raised by FPI for its inclusion in the competitive process presumes that the interim rule applies to the solicitation issued by EPA. The solicitation was issued on March 19, 2004, but the interim rule was not effective until March 26, 2004. Arguably, the interim rule applies to the subject solicitation even though the solicitation was issued a week after the rule's effective date since FAR 8.602(b) states that the interim rule applies to purchases made by civilian agencies using fiscal year 2004 appropriated funds. However, even if the interim rule (and its exception for services) is not applicable to this solicitation, FPI remains unable to compete in a solicitation for services for a total small business set aside. Prior to the interim rule, there is no authority requiring agencies to allow FPI, as a large business, to compete on a small business set aside for services. In fact, subsection (e) of the interim rule discusses acquisitions by civilian agencies using funds preceding fiscal year 2004 and, in so doing, sets forth FPI's previous priorities in competition. Subsection (e) does not contain any priority for services. Further, FAR 8.602 in effect prior to the March 26, 2004 amendment by the interim rule does not require agencies to include FPI in competitions for small business set asides for services. Consequently, whether or not the interim rule applies to EPA's solicitation, FPI may not participate in a competition with small businesses to provide services under a total small business set aside.

CONCLUSION:

The Area II Office of Government Contracting of the Small Business Administration finds that Federal Prison Industries, Inc. is other than a small business concern for the subject procurement.

This determination is effective immediately and remains in full force and effect unless and until reversed by the Office of Hearings and Appeals. Any person adversely affected by this decision has the right to file an appeal petition with SBA's Office of Hearings and Appeals (OHA). The specific procedures for filing an appeal are found at 13 CFR §134.

A concern determined to be other than small for a particular size standard is ineligible for any procurement or assistance authorized by the Small Business Act or the Small Business Investment Act, requiring the same or lower size standard, unless recertified by SBA. Following an adverse size determination, a concern cannot again self-certify as small within the same or lower size standard. If it does so, it may be in violation of criminal laws, including section 16(d) of the Small Business Act, 15 U.S.C. 645(d). [13 CFR 121.1009(g)(3)].

John T. Campbell
Area Director

Joseph C. Yob, Jr.

From: Fuller.David@epamail.epa.gov
Sent: Tuesday, February 08, 2005 1:15 PM
To: (b) (6) [redacted]
Subject: Size Protest

Mr. Yob, Based on the Small Business Administration (SBA) size determination case number 2-2005-23 & 42, your Agency protest has been sustained.

David F. Fuller
Contracting Officer
U.S. Environmental Protection Agency
OARM/OAM/HPOD/IRMPSC
202-564-4767
202-565-2563 (fax)

Print Close Help

General Information.

			Agy	PIID	Mod No
IDV Type:	Other IDC	IDV ID:	6800	EPW05009	0
IDV Status:	Final				
Prepared By:	EPAICMS.ADMIN	Referenced IDV ID:			
Prepared Date:	12/06/2004 11:41:09				
Last Modified By:	EPAICMS.ADMIN	Reason For Modification:	PLEASE SELECT BY CLICKING THE (...) BUTTC		
Last Modified Date:	02/04/2005 14:10:23	Solicitation ID:	PRHQ0312341		

Dates		Amounts	
Date Signed:	12/16/2004	Action Obligation:	$0.00
Effective Date:	12/16/2004	Base And All Options Value:	$0.00
Last Date to Order:	12/15/2005		

Purchaser Information

Contracting Office Agency ID:	6800	Contracting Office Agency Name:	ENVIRONMENTAL PROTECTION AGENC
Contracting Office ID:	WCO00	Contracting Office Name:	US ENVIRONMENTAL PROTECTION AGE

Contractor Information

CCR Exception: PLEASE SELECT CCR EXCEPTION BY CLICKING THE ELLIPSIS (...) BUTTON

Name:	SDS NATIONAL LLC
DBAN:	W BURLEIGH HARRIS
Street:	19 COLONIAL DR STE 26
Street2:	
City:	YOUNGSTOWN
State:	OH
Zip:	445052162
Country:	UNITED STATES
Phone:	
Fax No:	
DUNS No:	1136529570000

Socio Economic Data

Veteran Owned	Asian Pacific	Tribal Government
8(a) Firm	Service Disabled Vet	Black Owned
Hub Zone	Local Government	Native American
SDB	Minority Institution	Asian Indian
JWOD (Sheltered Workshop)	American Indian	Non-Profit Organization
HBCU	State Government	Hispanic Owned
Educational Institution	Federal Government	Emerging Small
Women Owned	Minority Owned Business	

Organization Type	Number of Employees	Annual Revenue
	4	$722,000

Contract Data

Type of Contract:	Time and Materials
Major Program:	
Type of IDC:	Indefinite Delivery / Indefinite Quantity
Multiple Or Single Award IDC:	Multiple Award
Program Acronym:	READ
Cost Or Pricing Data:	Select One
Cost Accounting Standards Clause:	

Legislative Mandates Inter Agency IDV Authority

Walsh-Healey Act:	Economy Act:
Service Contract Act:	Other Statutory Authority: *(1000 characters)*
Davis Bacon Act:	

Contract Marketing Data

Website URL: *(http://www.fpds.gov)*

Who Can Use: Only the Agency awarding the contract may place orders

FIPS 95 codes / Other Text:

Email Contact:

Maximum Order Limit: $0.00

Fee for Use of Service:

	Lower Value	Upper Value
Fixed		%
Varies by Amount		
Varies by Other Factor		
No Fee		

Ordering Procedure:
(Optional if Website URL is provided, otherwise mandatory.)

Product Or Service Information

Product/Service Code: R799 **Description:** OTHER MANAGEMENT SUPPORT SERVICES

Principal NAICS Code: 562219 **Description:** OTHER NONHAZARDOUS WASTE TREATMENT AI

Claimant Program Code: Select One

Bundled Requirements: Not a bundled requirement

GFE/GFP Provided Under This Action:

Use Of Recovered Material: FAR 52.223-4 Included

Sea Transportation: Select One

Description Of Contract Requirement:
(4000 characters)

Competition Information

Competitive Procedures / Reason Not Competed: SMALL BUSINESS SET-ASIDE

Number Of Offers Received: 42

Small Business Competitiveness Demonstration Program: ✓

Commercial Item Test Program:

Commercial Item Acquisition Procedures:

Preference Programs / Other Data

Contracting Officer's Business Size Selection: Small Business

Subcontract Plan: Plan Not Required

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IDV Search Results

3 Documents Found 1 - 3 Of 3

IDV ID:	6800-EPW05003	Doc Type:	IDC
Mod Number:	2	Status:	Final
Agency Name:	ENVIRONMENTAL PROTECTION AGENCY	Referenced IDV ID:	-
Office Name:	US ENVIRONMENTAL PROTECTION AGENCY	NAICS Code:	562219
Vendor Name:	UNICOR: FEDERAL PRISON INDUSTRIES	Base And All Options Value:	$0.00

IDV ID:	6800-EPW05003	Doc Type:	IDC
Mod Number:	1	Status:	Final
Agency Name:	ENVIRONMENTAL PROTECTION AGENCY	Referenced IDV ID:	-
Office Name:	US ENVIRONMENTAL PROTECTION AGENCY	NAICS Code:	562219
Vendor Name:	UNICOR: FEDERAL PRISON INDUSTRIES	Base And All Options Value:	$0.00

IDV ID:	6800-EPW05003	Doc Type:	IDC
Mod Number:	0	Status:	Final
Agency Name:	ENVIRONMENTAL PROTECTION AGENCY	Referenced IDV ID:	-
Office Name:	US ENVIRONMENTAL PROTECTION AGENCY	NAICS Code:	562219
Vendor Name:	UNICOR / FEDERAL PRISON INDUSTRIES	Base And All Options Value:	$0.00

3 Documents Found 1 - 3 Of 3

Print Close Help

General Information.

			Agy	PIID	Mod No
IDV Type:	Other IDC				
IDV Status:	Final	**IDV ID:**	6800	EPW05003	2
Prepared By:	EPAICMS.ADMIN	**Referenced IDV ID:**			
Prepared Date:	04/28/2005 10:26:53				
Last Modified By:	EPAICMS.ADMIN	**Reason For Modification:**	CLOSE OUT		
Last Modified Date:	04/28/2005 10:34:32	**Solicitation ID:**	PRHQ0312341		

Dates

Date Signed:	04/28/2005
Effective Date:	04/28/2005
Last Date to Order:	02/16/2005

Amounts

	Current	Total
Action Obligation:	$0.00	$0.00
Base And All Options Value:	$0.00	$0.00

Purchaser Information

Contracting Office Agency ID:	6800	**Contracting Office Agency Name:**	ENVIRONMENTAL PROTECTION AGENC
Contracting Office ID:	WCO00	**Contracting Office Name:**	US ENVIRONMENTAL PROTECTION AGE

Contractor Information **Socio Economic Data**

CCR Exception: PLEASE SELECT CCR EXCEPTION BY CLICKING THE ELLIPSIS (...) BUTTON

Name:	UNICOR: FEDERAL PRISON INDUST	**Veteran Owned**	**Asian Pacific**	**Tribal Government**
DBAN:		**8(a) Firm**	**Service Disabled Vet**	**Black Owned**
Street:	320 FIRST ST. NW	**Hub Zone**	**Local Government**	**Native American**
Street2:		**SDB**	**Minority Institution**	**Asian Indian**
City:	WASHINGTON	**JWOD (Sheltered Workshop)**	**American Indian**	**Non-Profit Organization**
State:	DC	**HBCU**	**State Government**	**Hispanic Owned**
Zip:	205340001	**Educational Institution**	**Federal Government**	**Emerging Small**
Country:	UNITED STATES	**Women Owned**	**Minority Owned Business**	**Hospital**
Phone:				
Fax No:				
DUNS No:	6266274590000			

Organization Type	Number of Employees	Annual Revenue
	1400	$600,000

Contract Data

Type of Contract:	Time and Materials
Major Program:	
Type of IDC:	Indefinite Delivery / Indefinite Quantity
Multiple Or Single Award IDC:	Multiple Award
Program Acronym:	REAC
Cost Or Pricing Data:	Select One
Cost Accounting Standards Clause:	
Consolidated Contract Flag:	

Legislative Mandates **Inter Agency IDV Authority**

Walsh-Healey Act:	**Economy Act:**
Service Contract Act:	**Other Statutory Authority:** *(1000 characters)*
Davis Bacon Act:	

Contract Marketing Data

Website URL: *(http://www.fpds.gov)*	www.epa.gov/oam
Who Can Use:	Only Department of Defense agencies may place orders against this contract

FIPS 95 codes / Other Text:

Email Contact: fuller.david@epa.gov

Maximum Order Limit: $0.00

Fee for Use of Service:

	Lower Value	Upper Value
Fixed		0.00 %
Varies by Amount		
Varies by Other Factor		
No Fee		

Ordering Procedure:
(Optional if Website URL is provided, otherwise mandatory.)

Product Or Service Information

Product/Service Code: R799 Description: OTHER MANAGEMENT SUPPORT SERVICES

Principal NAICS Code: 562219 Description: OTHER NONHAZARDOUS WASTE TREATMENT AI

Claimant Program Code: Select One

Bundled Requirements: Not a bundled requirement

GFE/GFP Provided Under This Action:

Use Of Recovered Material: FAR 52.223-4 Included

Sea Transportation: Select One

Description Of Contract Requirement:
(4000 characters)

Competition Information

Extent Competed For Referenced IDV:

Extent Competed: Not Available for Competition

Solicitation Procedures: Select One

Type Of Set Aside: Small Business Set-Aside

Evaluated Preference: Select One

Research: Select One

Statutory Exception To Fair Opportunity: Select One

Reason Not Competed: UNICOR

Number Of Offers Received: 42

Small Business Competitiveness Demonstration Program:

Commercial Item Test Program:

Commercial Item Acquisition Procedures:

Preference Programs / Other Data

Contracting Officer's Business Size Selection: Other than Small Business

Subcontract Plan: Plan Not Required

Print Close Help

General Information.

			Agy	PIID	Mod No
IDV Type:	Other IDC				
IDV Status:	Final	**IDV ID:**	6800	EPW05003	1
Prepared By:	EPAICMS.ADMIN	**Referenced IDV ID:**			
Prepared Date:	02/17/2005 10:11:54				
Last Modified By:	EPAICMS.ADMIN	**Reason For Modification:**	OTHER ADMINISTRATIVE ACTION		
Last Modified Date:	03/01/2005 10:40:46	**Solicitation ID:**	PRHQ0312341		

Dates

Date Signed:	02/03/2005
Effective Date:	02/03/2005
Last Date to Order:	12/15/2005

Amounts

	Current	Total
Action Obligation:	$0.00	$0.00
Base And All Options Value:	$0.00	$0.00

Purchaser Information

Contracting Office Agency ID:	6800	**Contracting Office Agency Name:**	ENVIRONMENTAL PROTECTION AGENC
Contracting Office ID:	WCO00	**Contracting Office Name:**	US ENVIRONMENTAL PROTECTION AGE

Contractor Information

CCR Exception: PLEASE SELECT CCR EXCEPTION BY CLICKING THE ELLIPSIS (...) BUTTON

Name:	UNICOR: FEDERAL PRISON INDUST
DBAN:	
Street:	320 FIRST ST. NW
Street2:	
City:	WASHINGTON
State:	DC
Zip:	205340001
Country:	UNITED STATES
Phone:	
Fax No:	
DUNS No:	6266274590000

Socio Economic Data

Veteran Owned	**Asian Pacific**	**Tribal Government**
8(a) Firm	**Service Disabled Vet**	**Black Owned**
Hub Zone	**Local Government**	**Native American**
SDB	**Minority Institution**	**Asian Indian**
JWOD (Sheltered Workshop)	**American Indian**	**Non-Profit Organization**
HBCU	**State Government**	**Hispanic Owned**
Educational Institution	✓ **Federal Government**	**Emerging Small**
Women Owned	**Minority Owned Business**	

Organization Type	Number of Employees	Annual Revenue
	1400	$600 000

Contract Data

Type of Contract:	Time and Materials
Major Program:	
Type of IDC:	Indefinite Delivery / Indefinite Quantity
Multiple Or Single Award IDC:	Multiple Award
Program Acronym:	REAC
Cost Or Pricing Data:	Select One
Cost Accounting Standards Clause:	

Legislative Mandates

Walsh-Healey Act:

Service Contract Act:

Davis Bacon Act:

Inter Agency IDV Authority

Economy Act:

Other Statutory Authority: *(1000 characters)*

Contract Marketing Data

Website URL: *(http://www.fpds.gov)* www.epa.gov/oam

Who Can Use: Only Department of Defense agencies [illegible]

FIPS 95 codes / Other Text:

Email Contact: fuller.david@epa.gov

Maximum Order Limit: $0.00

Fee for Use of Service:

Fixed		0.00 %
	Lower Value	**Upper Value**
Varies by Amount		
Varies by Other Factor		
No Fee		

Ordering Procedure:
(Optional if Website URL is provided, otherwise mandatory.)

Product Or Service Information

Product/Service Code: R799 **Description:** OTHER MANAGEMENT SUPPORT SERVICES

Principal NAICS Code: 562219 **Description:** OTHER NONHAZARDOUS WASTE TREATMENT AI

Claimant Program Code: Select One

Bundled Requirements: Not a bundled requirement

GFE/GFP Provided Under This Action:

Use Of Recovered Material: FAR 52.223-4 Included

Sea Transportation: Select One

Description Of Contract Requirement:
(4000 characters)

Competition Information

Competitive Procedures / Reason Not Competed: UNICOR

Number Of Offers Received: 42

Small Business Competitiveness Demonstration Program:

Commercial Item Test Program:

Commercial Item Acquisition Procedures:

Preference Programs / Other Data

Contracting Officer's Business Size Selection: Other than Small Business

Subcontract Plan: Plan Not Required

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New | Save Draft | Validate | Approve | Correct | Modify | Void | Save Tripit | Delete

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General Information

			Agy	PIID	Mod No
IDV Type:	Other IDC				
IDV Status:	Final	IDV ID:	6800	EPW05003	0

Prepared By:	EPAICMS.ADMIN	Referenced IDV ID:	
Prepared Date:	12/02/2004 16:09:10	Reason For Modification:	
Last Modified By:	EPAICMS.ADMIN		
Last Modified Date:	02/04/2005 14:12:28	Solicitation ID:	PRHQ0312341

Dates

Date Signed *(mm/dd/yyyy)* :	12/16/2004
Effective Date *(mm/dd/yyyy)* :	12/16/2004
Last Date to Order *(mm/dd/yyyy)* :	12/15/2005

Amounts

Action Obligation:	$0.00
Base And All Options Value:	$0.00

Purchaser Information

Contracting Office Agency ID:	6800	Contracting Office Agency Name:	ENVIRONMENTAL PROTECTION AGENC
Contracting Office ID:	WCO00	Contracting Office Name:	US ENVIRONMENTAL PROTECTION AGE

Contractor Information

CCR Exception:

Remove Exceptio

Name:	UNICOR: FEDERAL PRISON INDUST
DBAN:	
Street:	320 FIRST ST. NW
Street2:	
City:	WASHINGTON
State:	DC
Zip:	205340001
Country:	UNITED STATES
Phone:	
Fax No:	
DUNS No:	6266274590000

Socio Economic Data

Veteran Owned	Asian Pacific	Tribal Government
8(a) Firm	Service Disabled Vet	Black Owned
Hub Zone	Local Government	Native American
SDB	Minority Institution	Asian Indian
JWOD (Sheltered Workshop)	American Indian	Non-Profit Organization
HBCU	State Government	Hispanic Owned
Educational Institution	Federal Government	Emerging Small
Women Owned	Minority Owned Business	

Organization Type	Number of Employees	Annual Revenue
	1400	$600,000

Contract Data

Type of Contract:	Time and Materials
Major Program:	
Type of IDC:	Indefinite Delivery / Indefinite Quantity
Multiple Or Single Award IDC:	Multiple Award
Program Acronym:	REAC
Cost Or Pricing Data:	Service One
Cost Accounting Standards Clause:	

Legislative Mandates

Walsh-Healey Act:	
Service Contract Act:	
Davis Bacon Act:	

Inter Agency IDV Authority

Economy Act:	
Other Statutory Authority: *(1000 characters)*	

Contract Marketing Data

Website URL: *(http://www.fpds.gov)*	www.epa.gov/oam
Who Can Use:	[illegible]
FIPS 95 codes / Other Text:	
Email Contact:	fuller.david@epa.gov
Maximum Order Limit:	$0.00
Fee for Use of Service:	**Fixed** 0.00 %
	Varies by Amount — **Lower Value** [illegible] **Upper Value** [illegible]
	Varies by Other Factor
	No Fee
Ordering Procedure *(1000 characters)* **:** ***(Optional if Website URL is provided, otherwise mandatory.)***	

Product Or Service Information

Product/Service Code:	R799	**Description:**	OTHER MANAGEMENT SUPPORT SERVICES
Principal NAICS Code:	562219	**Description:**	OTHER NONHAZARDOUS WASTE TREATMENT AI
Claimant Program Code:	Select One		
Bundled Requirements:	Not a bundled requirement		
GFE/GFP Provided Under This Action:			
Use Of Recovered Material:	FAR 52.223-4 included		
Sea Transportation:	Select One		
Description Of Contract Requirement: ***(4000 characters)***	[illegible]		

Competition Information

Competitive Procedures / Reason Not Competed:	UNICOR
Number Of Offers Received:	42
Small Business Competitiveness Demonstration Program:	
Commercial Item Test Program:	
Commercial Item Acquisition Procedures:	

Preference Programs / Other Data

Contracting Officer's Business Size Selection:	Other than Small Business
Subcontract Plan:	Plan Not Required

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IDV Search Results

1 Document Found 1 - 1

IDV ID:	6800-EPW05009	Doc Type:	IDC
Mod Number:	0	Status:	Final
Agency Name:	ENVIRONMENTAL PROTECTION AGENCY	Referenced IDV ID:	-
Office Name:	US ENVIRONMENTAL PROTECTION AGENCY	NAICS Code:	562219
Vendor Name:	SDS NATIONAL LIMITED LIABILITY COMPANY	Base And All Options Value:	$0.00

1 Document Found 1 - 1

SDS National, LLC, No. 4676 (December 29, 2004)
Docket No. SIZ-2004-10-12-60

UNITED STATES OF AMERICA
SMALL BUSINESS ADMINISTRATION
OFFICE OF HEARINGS AND APPEALS
WASHINGTON, D.C.

SIZE APPEAL OF:	
SDS National, LLC	
Appellant	Docket No. SIZ-2004-10-12-60
	Decided: December 29, 2004
Solicitation No. SP4410-03-R-6006	
Defense Logistics Agency	
Logistics Operations	
Battle Creek, Michigan	

APPEARANCES

John N. Zoimoida, Jr., Esq.
Roth, Blair, Roberts, Strasfeld & Lodge
for Appellant

DIGEST

The U.S. Small Business Administration (SBA) may use all available information to determine annual receipts when making a size determination, including information which might dispute a firm's Federal income tax returns.

SBA's ability to consider evidence other than the firm's tax returns does not mean this evidence is controlling. SBA must consider all the circumstances surrounding the evidence, the nature and origin of any discrepancies, and the challenged firm's efforts to resolve the discrepancies.

Alternative Federal income tax returns, demonstrating how a firm might have prepared its tax returns, but not how it actually did, are not evidence an Area Office need consider in calculating a firm's annual receipts.

A challenged firm may exclude from its annual receipts as pass-throughs funds collected for another only if the challenged firm is in one of the industries enumerated at 13 C.F.R. Section 121.104(a)(1).

A firm engaged in the buying, selling, trading in and processing of scrap aluminum, which arranges for the transport of the aluminum in which it deals, does not have as its primary activity the arrangement of transportation, and is thus not a freight forwarder.

DECISION

HOLLEMAN, Administrative Judge:

Jurisdiction

This appeal is decided under the Small Business Act of 1958, 15 U.S.C. Section 631 et seq., and 13 C.F.R. Parts 121 and 134.

Issues

Whether SBA may use all available information to determine annual receipts when making a size determination, including information which might dispute a firm's Federal tax returns.

Whether SBA's ability to consider evidence other than the firm's tax returns means this evidence is controlling.

Whether alternative Federal income tax returns, demonstrating how a firm might have prepared its tax returns, but not how it actually did, are evidence an Area Office need consider in calculating a firm's annual receipts.

Whether a challenged firm may exclude from its annual receipts as pass-throughs funds collected for another.

Whether a firm engaged in the buying, selling, trading in and processing of scrap aluminum, which arranges for the transport of the aluminum in which it deals, is a freight forwarder.

I. BACKGROUND

A. Solicitation and Protest

On December 31, 2003, the Defense Logistics Agency, Defense Reutilization and Marketing Service (DLA), issued the subject solicitation seeking Electronic Demanufacturing Services for selected Department of Defense surplus electronic personal property. The Contracting Officer (CO) set the procurement aside 100% for small business, and designated

North American Industry Classification System (NAICS) code 562920, Materials Recovery Facilities, with a $10.5 million annual receipts size standard as the applicable NAICS code for this procurement. Amendment 2 set February 11, 2004, as the due date for offers.

On July 8, 2004, DLA referred to the Small Business Administration (SBA) Office of Government Contracting - Area IV in Chicago, Illinois (Area Office) the firm SDS National, LLC (Appellant) for a Certificate of Competency determination. On August 30, 2004, the Area Director requested a formal size determination be performed on Appellant.

B. The Size Determination

On September 22, 2004, the Area Office issued a size determination finding Appellant other than small. The Area Office found that Appellant is wholly owned by Sam Shapiro Investments LLC, which is 100% owned by Mr. Samuel E. Shapiro. Mr. Shapiro also owns 100% of Dart Metals Trading Company (Dart) and Venture Recovery, Inc., as well as 11% of R.D. Optical. The Area Office found all of these firms except R.D. Optical to be Appellant's affiliates.

The Area Office found that Dart's tax returns showed annual receipts in excess of the size standard. Appellant asserted to the Area Office that Dart was a freight forwarder and thus entitled to the exclusion of certain pass-through revenues from its annual receipts, as provided by 13 C.F.R. Section 121.104(a)(1). However, the Area Office found that Dart was not a freight forwarder but a broker of aluminum scrap. Therefore, Dart was not entitled to exclude certain revenues as pass-throughs from its annual receipts.

Appellant also provided the Area Office with an alternate set of tax returns, in addition to copies of the tax returns it had actually filed. These showed Appellant with annual receipts within the size standard. However, the Area Office concluded that it must rely upon the tax returns Appellant actually filed in order to determine Appellant's size.

Accordingly, the Area Office found that Appellant, together with its affiliates, had annual receipts in excess of the applicable size standard, and concluded Appellant was other than small.

The Area Office also examined Appellant's relationship with its ostensible subcontractor, Federal Prison Industries, Inc. or UNICOR. The Area Office found that UNICOR would be performing the primary and vital requirements of the contract, and that Appellant was engaged in a joint venture with, and therefore affiliated with, UNICOR, a large business. Accordingly, the Area Office determined Appellant was also other than small for this contract due to its affiliation with its ostensible subcontractor, UNICOR.

C. The Appeal

Appellant received the size determination on September 27, 2004, and filed the instant appeal on October 12, 2004.

Appellant asserts, first, that while Dart's actual tax returns do show that its annual receipts exceed the size standard, the actual tax returns do not depict an accurate picture of Dart's annual receipts. Appellant points to the alternative tax returns for Dart which it submitted to the Area Office, as information which gives the Area Office an accurate picture of its annual receipts. Appellant argues the Area Office erred in not relying on these alternative returns to determine Dart's, and thus Appellant's, annual receipts.

Second, Appellant asserts that Dart "is engaged in the business of buying, trading in, selling and processing scrap aluminum." Appellant asserts Dart acts as an escrow service for metal collectors and processors, and never actually takes possession of the materials, but merely receives a commission on each sale. Dart's actual tax returns do not accurately show Dart's income because they include the amounts collected for others, i.e., collectors and processors.

Third, Appellant asserts that even if it is an aluminum broker, it should be allowed to exclude the pass-through amounts from its annual receipts, because SBA's regulations permit other brokers to do so. Appellant argues that one broker should not be able to exclude pass-throughs from its annual receipts when others cannot.

Fourth, Appellant asserts that the Area Office erred in not

finding Appellant to be a freight forwarder, but an aluminum broker. Dart is responsible for the logistics of picking up lots of scrap from collectors and sending them to sellers. Thus, Appellant is a freight forwarder, under the definition in Federal law.

Finally, Appellant asserts that it, not UNICOR, is in fact responsible for the primary and vital requirements of the contract, and thus UNICOR should be found to be merely its subcontractor, and not affiliated with it.

D. The Response

On October 27, 2004, UNICOR filed a brief in support of the appeal, asserting that UNICOR, while it is not a small business, is not and should not be considered a large business entity. Rather, UNICOR is a wholly owned Government corporation of the District of Columbia, has preferred status in obtaining Federal procurements, and Appellant should not be penalized for its relationship with UNICOR.

II. DISCUSSION

Appellant filed the instant appeal within 15 days of receiving the size determination. Thus, the appeal is timely. 13 C.F.R. Section 134.304(a)(1).

Appellant has the burden of proving, by a preponderance of the evidence, all the elements of its appeal. Specifically, it must prove the Area Office based its size determination on a clear error of fact or law. 13 C.F.R. Section 134.314; Size Appeal of General Maintenance Engineering, Inc., SBA No. SIZ-4405, at 5 (2000).

In determining the size of a challenged firm under an annual receipts size standard, SBA computes the firm's receipts by adding "total income" plus "cost of goods sold" as those terms as defined on the firm's Federal income tax returns. 13 C.F.R. Section 121.104(a)(1); Size Appeal of Eurostyle Incorporated, SBA No. SIZ-4233, at 4 (1996). Where other information gives SBA reason to regard the Federal income tax returns as false, SBA may base its size determination on such other information. 13 C.F.R. Section 121.104(c).

In Eurostyle, this Office construed "false" to mean more than merely inaccurate. In order for SBA to consider information other than that in the tax returns, the information in the returns must be more than merely misleading, the returns must have been prepared with actual knowledge that they were incorrect, or with reckless indifference to the facts, and with the intent to deceive. Eurostyle, Incorporated, SBA No. SIZ-4233, at 5. This is the test the Area Office applied when it declined to consider Appellant's alternative tax returns.

Nonetheless, this Office abandoned the Eurostyle test in Size Appeal of Reiner, Reiner & Bendett, P.C., SBA No. SIZ-4587 (2003) and its companion on reconsideration Size Appeal of Reiner, Reiner & Bendett, P.C., SBA No. SIZ-4607 (2004). In its place, this Office now recognizes that there is a "very low" threshold for SBA to consider information which might contradict the challenged firm's Federal income tax returns. Now, SBA may use all available information to determine annual receipts when making a size determination, including information which might dispute a firm's Federal income tax returns. Reiner, Reiner, & Bendett, P.C., SBA No. SIZ-4607, at 6.

However, SBA's mere ability to consider evidence other than the firm's tax returns does not mean this evidence is controlling. SBA must consider all the circumstances surrounding the evidence, the nature and origin of any discrepancies, and the challenged firm's efforts to resolve the discrepancies. Id., at 7.

Thus, while the evidentiary standard articulated in the Reiner cases set the threshold "very low" for the consideration of evidence at variance with the challenged firm's tax returns, it is not nonexistent. Here, the Administrative Judge finds that the standard has not been met. The information Appellant offers is hypothetical, at best. These are not Dart's amended returns, in which case they would not merely be considered, they would be controlling, as superseding the returns Dart originally filed. These tax returns are returns prepared in an alternative manner to the way in which Dart's tax returns were actually prepared. They are marked "Discussion Draft - Not for Distribution." They were prepared with the knowledge that they would not actually be submitted to the Internal Revenue Service. Thus it is clear they are not real pictures of Dart's business, but are intended only to persuade SBA to find Appellant small. They read the way Dart's returns might have read, had they been prepared this way. Appellant offers not concrete financial information, but a set of hypothetical returns. They have no probative value. The Area Office did not err in declining to consider the alternative returns. The Area Office was doubly correct in doing so, because Appellant candidly admits that the effect of the amended returns is to exclude certain items from Dart's receipts as pass-throughs. As discussed below, this is not appropriate.

Appellant argues that Dart should be allowed to exclude certain items from its receipts as amounts collected for others. Appellant asserted that if other brokers can do this, Dart should also be permitted to do so as a broker of scrap aluminum.

SBA's regulations permit the exclusion from the calculation of a firm's annual receipts amounts collected for another by travel agents, real estate agents, advertising agents, conference management service providers, freight forwarders and customs brokers. 13 C.F.R. Section 121.104(a)(1). This Office's precedent limits the exclusion of pass-through receipts only to those industries enumerated in the regulation. Reiner, Reiner, & Bendett, P.C., SBA No. SIZ-4587, at 6. Accordingly, the Area Office did not err in not excluding from Appellant's receipts amounts collected by Dart for other firms in Dart's capacity as a broker of scrap aluminum.

The remaining issue is whether the Area Office erred in not finding Dart to be a freight forwarder. Appellant admits Dart is in the business of buying, selling, trading and processing scrap aluminum. A freight forwarder, according to the description of NAICS code 488510, Freight Transportation Arrangement, is primarily in the business of arranging transportation of freight between shippers and carriers. [1] The Federal statute on interstate transportation, upon which Appellant relies, defines the term as a person which holds itself out to the public to provide transportation of property in the ordinary course of its business. 49 U.S.C. Section 13102(8). Appellant, however, arranges transportation as part of its business of buying and selling and trading in aluminum scrap. The arrangement of transportation is incidental to its dealing in aluminum scrap, and is not the principal activity of its business. Accordingly,

the Area Office did not err in failing to find Appellant a freight forwarder.

Accordingly, Appellant has failed to establish error of fact or law in the Area Office's determination that it is an other than small business.

The Area Office's determination that UNICOR is performing the primary and vital requirements of the contract, and thus it is affiliated with Appellant, is moot for two reasons. First, because Appellant is other than small under any circumstances. The Area Office need not have reached the issue of whether Appellant was affiliated with UNICOR. Second, DLA's CO has filed a statement with this Office stating the award has been made to another firm, the contract is now in performance, there is no pending litigation which could disturb this award, and DLA will keep the award in place regardless of the outcome of this appeal. Therefore, this issue is contract-specific, and as the award has been made, the resolution of this issue will not affect Appellant's eligibility for other procurements. When a contract is awarded, this Office will dismiss any appeal based on contract-specific issues. Size Appeal of Hanel Storage Systems, L.P., SBA No. SIZ-4334 (1998). To do otherwise would be to render an advisory opinion, which this Office may not do. Size Appeal of Lightcom International, Inc., SBA No. SIZ-4118 (1995).

Accordingly, the Administrative Judge finds that Appellant has failed to establish clear error by the Area Office and concludes that he must affirm the size determination.

III. CONCLUSION

For the above reasons, the Administrative Judge AFFIRMS the Area Office size determination and DENIES the instant appeal.

This is the final decision of the Small Business Administration. See 13 C.F.R. Section 134.316(b).

CHRISTOPHER HOLLEMAN
Administrative Judge

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* Executive Office of the President, Office of Management and Budget, North American Industry Classification System Manual (2002), available at census.gov/pcd/naics/def/ ND488510.htm.

Posted: January, 2005

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INDEPENDENT

May 20, 2004

Kim Nelson
Chief Information Officer
2810A
US EPA Headquarters
Ariel Rios Building
1200 Pennsylvania Ave., N.W.
Washington, DC 20460

Dear Ms. Nelson:

On behalf of the House Government Reform Subcommittee on Technology, Information Policy, Intergovernmental Relations and the Census, I would like to thank you for your participation in the May 19, 2004 oversight hearing on the Federal Enterprise Architecture initiative. Your testimony provided valuable insight into the progress of the development and implementation of the FEA, as well as into the integration of your agency's EA into the FEA framework.

I hope, in the future, I can continue to call upon your expertise and years of experience in assisting the Subcommittee in crafting effective policy for seeing this and other e-Government initiatives to completion.

Again, thank you for your expertise and the unique perspective that you provided to the Subcommittee.

Sincerely,

Adam H. Putnam
Chairman
Subcommittee on Technology, Information Policy,
Intergovernmental Relations and the Census

AHP:sw

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INDEPENDENT

March 26, 2004

Kim Nelson
Chief Information Officer
2810A
USEPA Headquarters
Ariel Rios Building
1200 Pennsylvania Ave., N.W.
Washington, DC 20460

Dear Ms. Nelson:

On behalf of the House Government Reform Subcommittee on Technology, Information Policy, Intergovernmental Relations and the Census, I would like to thank you for your participation in the March 24, 2004 oversight hearing on the President's e-Government initiatives. Your testimony provided valuable insight into the progress of these initiatives as well as the factors to success and the hurdles that have presented themselves.

I hope, in the future, I can continue to call upon your expertise and years of experience in assisting the Subcommittee in crafting effective policy for seeing the e-Government initiatives to completion. EPA's dedication as a lead agency on its assigned e-Government initiative is critical to long-term success of not just those initiatives, but to the entire program.

Again, thank you for your expertise and the unique perspective that you provided to the Subcommittee.

Sincerely,

Adam H. Putnam
Chairman
Subcommittee on Technology, Information Policy,
Intergovernmental Relations and the Census

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August 25, 2006

Mr. Edward Krenic
Associate Administrator
Environmental Protection Agency
Congressional and Intergovernmental Relations
1200 Pennsylvania Ave NW Room 3442 N
Ariel Rios Building
Washington, D.C. 20460

Dear Mr. Krenic:

Enclosed is information received from my constituent, Ms. Paula Whear. I believe the enclosed information is self-explanatory.

Any assistance your office can provide to Ms. Whear would be greatly appreciated. Please keep me advised by sending a reply to my district office at 650 East Davidson Street, Bartow, Florida 33830.

Thank you for your assistance.

May God bless America.

Sincerely yours,

Adam H. Putnam

Adam H. Putnam
Member of Congress

AHP:at

Enclosure

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TO: Edward Krenik, EPA Congressional

FROM:

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Re: Wheat **CC:**

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Attached are photos that can be emailed if necessary.

Thank You!

Topol, Amy

From: PAULA WHEAR (b) (6) [redacted]
Sent: Monday, August 14, 2006 10:04 AM
To: Topol, Amy
Subject: Hanson Pipe and Precast issues from Joseph Joyal

Sunday August 13, 2006

Hi Amy,

Thanks for taking the time to talk to me about our concerns with the Hanson Concrete Pipe and Precast plant. Per our discussion, I am sending you a Excel Spreadsheet of all the people we have contacted, with dates, numbers and comments. I am also sending you a couple of photos which I hope will also help you to understand what we are talking about.

The wetlands are adjacent and downhill of the 171,00 square foot building site.
Lake Lucerne is 500 feet and Lake Fannie is 80 feet downhill of the site.

Their Air Permit will allow 24 a day, 7 days a week production and 24 tons of unspecified HAP (hazardous air pollutants). In researching their manufacturing process, I have found that 2 of the main pollutants will be mercury and lead along with several other carcinogenics. When talking to the people who should be responsible for enforcing the regulations concerning these issues they keep telling us that as long as the city has the correct permits that everything is okay. Our main concern is that there is nobody making sure that they are following the rules and regulations. They even cleared the site without a Swift Mud permit, which the city told us that they had. We can not trust the city to comply with the regulations and tell us the truth. That's why we believe there needs to be some other departments from the county, state or federal levels making sure they are complying with the regulations.

Please let us know if you have any questions and what you are able to find out.

Thanks in advance for your time and involvement.

Joseph Joyal
Paula Whear
(b) (6) [redacted]

PS: One of the pictures we are sending shows the eagle's nest in the middle. *

Get your email and more, right on the new Yahoo.com

Property is located in (b) (6) [redacted] and includes
(b) (6) [redacted]

	State	SW DEP	Danny Stubbs	(b) (6) [redacted]	comment. Thur June 29th in Ledger newpaper - 1 day only. 14 days allowed for contesting.
	State	Senator	JD Alexander's office - Patti Harrison	(b) (6) [redacted]	Left Msg @ Winter Haven Office, they are there to tell us who to call and make sure follow up is received.
	State	Congressman	Adam Putman	(b) (6) [redacted]	Joe talked to Amy about environmental issues. Wants us to send contact list to her @ amy.topol@mail.house.gov including comments on location of wetlands and nest, etc.
	State	SW DEP	Darlene	813-632-7600	Transferred Joe to Ilia Balom in Solid Waste Mgmt
	State	SW DEP - solid wast mgmt	Ilia Balom	813-632-7600 [redacted] (b) [redacted]	She is going to talk to other people and call back
	City	Street Dept - Supervisor	Joe Hamric	291-5852	(b) (6) [redacted] and would have him call me back on Mon.
	State	Fish and Wildlife		850-488-4676	Gave Joe # to local division
	State	Fish and Wildlife	Tom Shampo	648-3200	Doris transferred Joe to Tom Shampo and he left a msg. Tom called back and said he would check into envoronmental issues affecting the wildlife and call us back.
	Federal	EPA-Drinking Water	Larry Myers	404-562-9345	Left Msg, because city sewage and water were being used they couldn't help but gave # of Rhonda Evans, Greg Worley, Lee Page, Jason Dressler and Complaints
	Federal	EPA - Air Permits ??	Brandy Jenkins	404-5629077	Left Msg
	Federal	Wetlands	Rhonda Evans	404-562-9369	Left Msg
	Federal	EPA	Greg Worley	404-562-9141	Called msg he was out till next week and couldn't leave a msg
	Federal	EPA-Air Toxions	Lee Page	404-562-9131	Air and Water situation. Going to check why an environmental study was not done. Also checking on issues Joe brought up. He will call us back.
	Federal	EPA - Compliance Inforcement Agent	Jason Dressler	404-562-9208	Left Msg
	State	SW DEP	Pam Bazquez	813-632-7600 x 495	Conference call with Bill Schroeder. Pam is going to check to see what other depts should been involved or were involved and get back to us. Bill said as long as they followed the laws, that was it.
Mon 8-14	City	Street Dept - Supervisor	Joe Hamric	(b) (6) [redacted]	(b) (6) [redacted], Going to add Traffic light at 544 intersection, widen the road and add turning lanes.
	Federal	Army Corp Of Engineers	Eric Zuma	904-232-1665	Handle direct discharge of fill material into wetlands. Permits are needed to fill in any wetland areas.

	ME	Emailed Letter	To Neighbors		Jim, Shawn, Danny, Rhonda,
Wed 8-9	State	Dept Of Health - Chief of Water Pgm	Bart Bibler	850-245-4241	Left Msg - Bob Benson from his dept called me back. Told me to try Tim Mayer and County Road & Bridge Dept about the traffic.
	State	Bureau Chief Onsite Sewage Pgm	Gerald Briggs	850-245-4070	Told me that it was Commercial - told me to talk to EPA and gave me Tim Mayer's # at the County Health Dept
	County	Environmental Health Director	Tim Mayer	(b) (6)	Left Msg - Joe talked to him, not a lot he could do because it is the city.
Thur 8-10	State	Swift Mud	Frank Richie	534-1448 x 6100	Talked to Company Engineer and told him to stop any earth movement/clearing and sent Allen of Field Services out to take pics. Had not seen the pics or granted a permit. As of Wed night they were still moving dirt, etc
	City	Planner 1	Jean Sobierajski	(b) (6)	Left Msg - She spoke with Derek @ Hanson and told him to stop any constructionand she was sending a inspector out to check on site.
	County	Land Development	Jerry Irons - FEMALE	(b) (6)	Left Msg - State Wide Enforcement
	State	SW DEP	Pam Bazquez	813-632-7600 (b)	She is going to talk to Air Permit people and have them email or call me
	Federal	Army Corp Of Engineers	Eric Zuma	904-232-1665	Left Msg 2nd - State Wide Enforcement
	ME				Took Pics of the construction site which has already been cleared without proper permits.
Fri 8-11	City	Planner 1	Jean Sobierajski	291-5600	Called and said their inspector said they hadn't cleared anything except for construction trailer, I told her that wasn't so. She said should not be doing anything else to the site. Jsobierajski@mywinterhaven.com
	State	Swift Mud	Frank Richie	534-1448 (b) (6)	He would pass on the info to upper level decision makers.
	County	Environmental Health Director	Tim Mayer	(b) (6)	Left Msg
	City	Engineering-Tech Services Director	Tony Viola	(b) (6)	Left Msg
	State	SW DEP	Pam Bazquez	813-632-7600 (b)	Left Msg, called back, and her and Bill Schroeder will call us back.
					Danny is to call back about PERMIT, when it was published for public

			Harrison		WH @ 298-7677, if I wanted to have her follow up on some phone calls.
	State	Senator	Paula Dockery	413-2900 or 1-866-248-6487	District 15 - dockery.paula.web@flsenate.gov
	State	Dept of Agriculture & Consumer Services	Charles Bronson	850-488-3022	commissioner@doacs.state.fl.us
	State	Governor	Jeb Bush	850-488-7146	jeb.bush@myflorida.com
Fri 8-4	Private	Birds of Prey		303-460-0674	raptor@birds-of-prey.org <raptor@birds-of-prey.org - this org is in Colorado - Left msg asking about org in FL
	City	Planning Department	Jean Sobierajski	291-5600	Talked to Shawn Byers and Jean while looking at plans. They said they had the Swift Mud permit (8-1) and everything was a go. Property across the street is zoned R3, apartments or single family homes.
Mon 8-7	State	Swift Mud	Frank Richie	534-1448 x 6100	Told him that city said they had the permit and that they had cleared out the trees. He said all they had was paper stating they had everything to apply for permit. He is going to send someone out to check on the site and call me back.
	City	Planner 1	Jean Sobierajski	291-5600	Told her that they did have a Swift permit and she said she would have to check with someone that handles them and call me back.
	State	SW DEP	Pam Bazquez	813-632-7600 [redacted] (b)	Left Msg
	State	Dept Of Transportation	John Hayes	519-4104 or 1-866-374-3368 [redacted] (b)	Left Msg and missed his call back.
	ME	Delivered Letter	To Neighbors		
Tues 8-8	State	SW DEP	Pam Bazquez	813-632-7600 [redacted] (b)	She said they had an air permit and that I was doing the right thing by talking to Swift Mud.
	State	Congressman	Adam Putman	534-3530	Talked to Kim in Bartow. Email is in Washington being reviewed and they will contact me. Received email stating that he really couldn't be of help.
	State	Senator	Bill Nelson	202-224-5274	District 17 - nelson.bill.web@flsenate.gov - sent letter via web site
	State	Senator	Mel Martinez		Sent letter via web site
	State	Dept Of Transportation	John Hayes	519-4104 or 1-866-374-3368 (b) (6)	Right to reasonalble access of state roads. City is within laws to ask for permit to upgrade intersection.

	Federal	Engineers	Tom Hall	904-232-1177	Left Msg
	Federal	Army Corp Of Engineers		321-453-(b) [redacted]	???
	Federal	Army Corp Of Engineers	Jax Office	904-232-2241	???
Tues 8-1	State	Swift Mud	Frank Richie	534-1448 [redacted] (b) [redacted]	Left Msg and he called back. Permit applied for in May and being reviewed. Sent someone out to check on groundbreaking situation. Call Debra to find out how close have to be to get notice of Agency Action on Permit. Left msg to get PERMIT ##'s
	State	Swift Mud in Brooksville	Debra Webster	1-800-423-1476 x (b) [redacted]	Within 600' of water withdrawl ?? Receive notice when permit decision known. Get Permit # and email to debra.webster@watermatters.org. Ask for notification of Agency Action concerning Permit. Certain amt days to contest or petition against results.
Wed 8-2	State	Swift Mud	Frank Richie	534-1448 [redacted] (b) [redacted]	Called me back 44030932.000 Concrete Permit EOP surface Water - Applied for in May - Swift has 90 days to review.
	State	Dept Of Transportation	Bonnie Olive	1-866-374-3368 x (b) [redacted]	Explained situation and she transferred me to her boss - John Hayes
	State	Dept Of Transportation	John Hayes	519-4104 or 1-866-374-3368 x (b) [redacted]	Can build but will need Permit to access 544 or drainage onto state property. Must have Swift approval before applying for Permit. Traffic count to determine if signal is needed. CO Certificate of Occupancy could be given even before permit from DOT.
	Private	Care2.com		650-622-0860	Left msg and directed to Care2.com\help\support - emailed a request for help, see Word document
	State	House Representative	Marsha Bowen	298-4422	District 65 - sent email via her web page, no address given
Thur 8-3	State	Congressman	Adam Putman	534-3530	District 12 - sent email via his web page, no address given
	State	Senate President	Tom Lee	813-744-8683 or 1-800-560-4403	District 17 - lee.tom.web@flsenate.gov
	State	Senator	JD Alexander	679-4411	District 17 - alexander.jd.web@flsenate.gov - Received a call back from his rep, Patti Harrison, returned her call and left a msg.
	State	Senator	JD Alexander's office - Patti	679-4411	Talked to Patti and she told me they would do what they could to help but really out of their control. She would be back in the office next Wed. in

Topol, Amy

From: PAULA WHEAR (b) (6) [redacted]
Sent: Monday, August 14, 2006 10:05 AM
To: Topol, Amy
Subject: Excel spreedsheet - contacted people about Hanson

DATE	DIVISION	OFFICE	WHO	PHONE	NOTES
Mon 7-31	State	Dept of Environment Protection		850-245-8336	Gave me Debra's ## in Tampa
	State	SW DEP	Debra Getzoff	813-632-7600	Transferred me to Pam Bazquez @ ext (b) [redacted]
	State	SW DEP - Internal Affairs	Pam Bazquez	813-632-7600 x (b) [redacted]	**To call me back with PERMIT info - Talked to her 8-8 - no help**
	County	Bldg Division	Gail Busciglio	534-6080	Left Msg. Gave me Jerry Irons ##
	County	Land Development	Jerry Irons - FEMALE	(b) (6) [redacted]	Left Msg
	County	Land Development	Donna	(b) (6) [redacted]	Left Msg
	County	Environmental Affairs	Bob Killingeer	(b) (6) [redacted]	Told me to call Planning Division
	County	Planning Division	Sheryl ??	(b) (6) [redacted]	Left Msg
	County	County Engineer	Ronald Terrell	(b) (6) [redacted]	Told me to call Swift Mud - S FL Water Mgt Dist
	State	Swift Mud	Ken Gariner	534-1448	Left a msg, Bethany returned call and transferred me to Frank Rich ext (b) [redacted] who I left msg with
	State	Swift Mud	Frank Richie	534-1448 x (b) [redacted]	Left Msg
	Federal	Wetlands Hotline		1-800-832-7828	Gave me # to EPA Region 4 in Atlanta and # for Army Corp of Engineers
	Federal	EPA Region 4 in Atlanta		1-800-241-1754	SW FL DEP and Central FL Wetlands - Left msg
	Federal	Army Corp Of Engineers		904-232-1666	Msg details multiple ##'s depending on Counties
	Federal	Army Corp Of Engineers	Cynthia	813-840-2908 x (b) [redacted]	Left Msg
	Federal	Army Corp Of Engineers	Eric Zuma	904-232-1665	Left Msg - State Wide Enforcement
		Army Corp Of			

ADAM H. PUTNAM
12TH DISTRICT, FLORIDA

COMMITTEE ON RULES

COMMITTEE ON THE BUDGET

1213 LONGWORTH HOUSE OFFICE BUILDING
WASHINGTON, DC 20515-0912
(202) 225-1252

650 EAST DAVIDSON STREET
BARTOW, FL 33830-4632
(863) 534-3520
1 (888) 534-3530

www.adamputnam.house.gov

Congress of the United States
House of Representatives

February 12, 2007

Ms. Mary Frazier
Environmental Protection Agency
Office of Congressional and Intergovernmental Relations
61 Forsyth St SW
Atlanta, Georgia 30303

Dear Ms. Frazier:

Enclosed is information received from my constituent, Mr. Joseph Yob. I believe the enclosed information is self-explanatory.

Any assistance your office can provide to Mr. Yob would be greatly appreciated. Please keep me advised by sending a reply to my district office at 650 East Davidson Street, Bartow, Florida 33830.

Thank you for your assistance.

May God bless America.

Sincerely yours,

Adam H. Putnam

Adam H. Putnam
Member of Congress

AHP:at

Enclosure

PRINTED ON RECYCLED PAPER

February 8, 2007

(b) (6)
Thonotosassa, Florida(b) (6)

Hand Delivered

Congressman Adam Putnam
650 East Davidson Street
Bartow, FL 33830

RE: Request for Assistance in Obtaining a Copy of the Decision for Creative Recycling Systems, Inc. ("CRS") Freedom of Information Request Appeal of the U.S. Environmental Protection Agency FOIA Decision, File No: HQ-RIN-00607-05-A That Was Provided to CRS ("My FOIA Request")

Dear Congressman Putnam:

I respectfully request your assistance in obtaining a response to a Freedom of Information Act Request that I made to the U.S. Environmental Protection Agency ("EPA") over nine months ago. I have not received any response from the EPA to my Freedom of Information Act Request (with follow up) which is attached at Enclosure 1 ("My FOIA Request"). My FOIA Request was originally made via e-mail to: hq.foia@epa.gov on April 3, 2006. I sent a follow up to My FOIA Request via Express Mail, Tracking# ED630803753US, and a copy of the U.S. Postal Service Proof of Delivery is attached at Enclosure 2. EPA signed for and received the follow up to My FOIA Request on 04/19/2006 at 11:01 AM as documented by Enclosure 2. To date, I have not received any response from EPA whatsoever to My FOIA Request and consequently I have exhausted all of my administrative remedies. I therefore respectfully request your assistance in obtaining a response from EPA to My FOIA Request. I also would like you to request that EPA provide you with a factual and detailed explanation of whether or not EPA has completely complied with all applicable laws and regulations concerning My FOIA Request.

I would appreciate it greatly if you would please provide me with copies of the response and information you obtain from EPA. Thank you in advance for your timely assistance in this matter.

Sincerely,

Joseph C. Yob.

Joseph C. Yob. Jr.

Enclosures: as

April 18, 2006

(b) (6) [redacted]
Burlingame, CA(b) (6) [redacted]

Reply by e-mail to: (b) (6) [redacted]

Sent VIA U.S. Postal Service Express Mail Article# ED 630803753 US

Freedom of Information Act Officer
United States Environmental Protection Agency
Office of the General Counsel
Finance and Operations Law Office
Ariel Rios Building
1200 Pennsylvania Avenue, N.W.,
Mail Code: 2377A,
Washington, DC 20460

RE: Freedom of Information Act ("FOIA") Request Follow Up Letter

Dear FOIA Officer:

This letter is a follow up to my Freedom of Information Act Request, From: Joseph Yob (b) (6) [redacted], Sent: Monday, April 03, 2006 1:16 PM, To: 'hq.foia@epa.gov'; 'bruce.barbara@epa.gov', Subject: Freedom of Information Act (FOIA) Request via E-mail that was sent to the FOIA Officer and Ms. Barbara Bruce by me via E-Mail. Consider my FOIA Request as restated in the E-Mail stream below (contained within brackets) to be a Freedom of Information Act Request under the provisions of the Freedom of Information Act, 5 USC § 552.

[-----Original Message-----
From: Joseph Yob (b) (6) [redacted]
Sent: Monday, April 03, 2006 1:16 PM
To: 'hq.foia@epa.gov'; 'bruce.barbara@epa.gov'
Subject: Freedom of Information Act (FOIA) Request via E-mail

Dear FOIA Officer and Ms. Barbara Bruce:

Subject-- Freedom of Information Act (FOIA) Request via E-mail

1)Requestor's Name: -- Joseph C. Yob, Jr.

2)Requestor's Mailing Address: -- (b) (6) [redacted], Burlingame, CA(b) (6) [redacted]

3)Requestor's Email address: --(b) (6) [redacted]

Enclosure 1

4)Requestor's_Phone#: --(b) (6) [redacted]

5)These are the names of persons or offices
I'm inquiring about, and documents I'd like to receive: -- I'm inquiring about, and documents I'd like to receive under the Freedom of Information Act ("FOIA"), 5 U.S.C. 552 : --

I request copies in electronic format from the United States Environmental Protection Agency ("EPA"), Office of the General Counsel, Finance and Operations Law Office, Ariel Rios Building, 1200 Pennsylvania Avenue, N.W.,
Mail Code: 2377A, Washington, DC 20460 of the following records:

EPA's Decision for the Freedom of Information Act Appeal HQ-RIN-00607-05-A that was provided to Creative Recycling Systems, Inc.

6)Other Information: -- Please provide the requested records in Adobe® pdf file format via e-mail to: (b) (6) [redacted] I further request that these records be made publicly available via the EPA website. If you deny any part of this request, please cite each specific reason that you think justifies your refusal to release the information. Please notify me of appeal procedures available under the law

I assert that the general public will benefit in the release of the information as contained in this request as it provides the essential transparency required for the public to maintain its trust in the integrity of federal procurement programs as well as in the Freedom of Information Act. Providing the requested records via EPA's website would meet one of the specific requirements of the President's e-Government initiative in providing much needed transparency to federal government procurement processes. In providing the requested information in a courteous and appropriate manner EPA will be complying with the policies as stated in Executive Order 13392 of December 14, 2005, Improving Agency Disclosure of Information ("Executive Order 13392") which will further the functioning of our constitutional democracy and provide a citizen-centered and results-oriented approach that will improve service and performance, thereby strengthening compliance with the FOIA, and help avoid disputes and related litigation. I believe that the search for this information should take less than two hours and the documents will be less than 100 pages in length. I am not requesting this information for primarily commercial purposes.

I agree to pay up to $14.00 for this request. Please do not exceed charges of $14.00 for this request without my express prior written authorization. I request that you provide me with the name, title, physical address, telephone number and the e-mail address of the of the FOIA Public Liaison who will shall assist me, as appropriate, in reducing delays,

increasing transparency, and understanding the status of requests, and in resolving disputes. Please confirm receipt of this request via
e-mail to: (b) (6) [redacted]

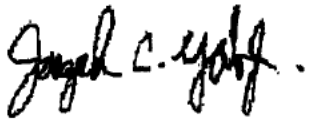
Thank you in advance for your prompt attention to this matter.

Sincerely,

Joseph C. Yob, Jr]

Please inform me of the date that the responsible office received my FOIA Request.
Thank you in advance to your prompt attention to this matter.

Sincerely,



Joseph C. Yob, Jr.

UNITED STATES POSTAL SERVICE

Date: 02/07/2007

Joseph Yob:

The following is in response to your 02/07/2007 request for delivery information on your Express Mail item number ED63 0803 753U S. The delivery record shows that this item was delivered on 04/19/2006 at 11:01 AM in WASHINGTON, DC 20460 to V PICKERING. The scanned image of the recipient information is provided below.

Delivery Section

Signature of Recipient: Victoria L Pickering

Victoria L Pickering

Address of Recipient: EPA 20460

Thank you for selecting the Postal Service for your mailing needs. If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,

United States Postal Service

Enclosure 2

ADAM H. PUTNAM
12TH DISTRICT, FLORIDA

1213 LONGWORTH HOB
WASHINGTON, DC 20515
(202) 225-1252
(202) 226-0585 - FAX

850 EAST DAVIDSON ST
BARTOW, FL 33830
(863) 534-3530
(866) 534-3530
(863) 534-3559 - FAX

Congress of the United States
House of Representatives
Washington, DC 20515

Fax Transmission

TO: Mary Frazier

FROM:

Washington Office
- ☐ John Hambel
- ☐ Brooke McKnight
- ☐ Karen Williams
- ☐ Andrea Becker
- ☐ Rachel Volinski
- ☐ Susan Lindahl
- ☐ Corinne Stevens
- ☐ Katie Bell

District Office
- ☐ Mathew Joyner
- ☐ Cheryl Fulford
- ☐ Josée Duchesneau
- ☐ Pam Fuller
- ☑ Amy Topol - Phone - 863/534-3530 amy.topol@mail.house.gov
- ☐ Kim Brannan
- ☐ Anne Bell
- ☐

Fax: 404/562-8335 Pages: 7

Phone: Date: 2-13-07

Re: Yolo CC:

☐ Urgent ☐ For Review ☐ Please Comment ☐ Please Reply ☐ Please Recycle

12TH DISTRICT, FLORIDA

506 CANNON BUILDING
WASHINGTON, DC 20515-0912
(202) 225-1252

710 E. MAIN STREET
BARTOW, FL 33830
(863) 534-3530
(863) 534-3559 - FAX

Congress of the United States
House of Representatives
Washington, DC 20515

Fax Transmission

To:	EPA Office of Congressional Affairs	**From:**	Karen Williams
Fax:	501-1519 / 501-1450	**Pages:**	
Phone:		**Date:**	May 29, 2007
Re:		**CC:**	

☑ **Urgent** ☐ **For Review** ☐ **Please Comment** ☐ **Please Reply** ☐ **Please Recycle**

We would like to request a meeting regarding an EPA project for the development of an abscission chemical for citrus, with EPA officals, the FL Department of Citrus and Rep. Putnam's office.

Please see outline of issue attached. Your consideration is greatly appreciated.

ADAM H. PUTNAM
12TH DISTRICT, FLORIDA

HOUSE REPUBLICAN CONFERENCE CHAIRMAN

WASHINGTON, DC 20515-0912
(202) 225-1252

650 EAST DAVIDSON STREET
BARTOW, FL 33830-4932
(863) 534-3530
1 (866) 534-3530

www.adamputnam.house.gov

Congress of the United States
House of Representatives

Continuation of Vital EPA Abscission Chemical Efforts Necessary
May 29, 2007

The development and registration of an abscission chemical agent through the Environmental Protection Agency (EPA), to improve the efficiency of mechanical harvesting is a vital priority, as citrus is one of the last agricultural industries yet to be mechanized. Research on such compound has been conducted through EPA over the last two years and must be sustained.

Currently in the third year of a seven-year effort, the registration process is in a critical stage. We therefore seek continued funding through EPA to continue the registration process. A loss of funding would jeopardize the years of data collected thus far.

Project continuation is requested similar to that included in the FY 05 and 06 Interior and Environment appropriations bills, through the Environmental Protection Agency, for abscission chemical development and registration:

"*To the Florida Department of Citrus to provide for the manufacturing of an adequate amount of an abscission chemical compound for testing and to provide for any comprehensive environmental, and toxicological studies and other relevant research required by the federal government in order to register this product for use as an abscission chemical agent for citrus.*"

The EPA's continued support of this critical effort is requested. Specifically, $1 million dollars is needed, to be allocated in FY07 through EPA's budget, for the continuation of this important project.

PRINTED ON RECYCLED PAPER

ADAM H. PUTNAM
12TH DISTRICT, FLORIDA

HOUSE REPUBLICAN CONFERENCE CHAIRMAN

1726 LONGWORTH HOUSE OFFICE BUILDING
WASHINGTON, DC 20515-0912
(202) 225-1252

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BARTOW, FL 33830-4832
(863) 534-3530
1 (866) 534-3530

www.adamputnam.house.gov

Congress of the United States
House of Representatives

November 6, 2007

Associate Administrator
Environmental Protection Agency
Congressional and Intergovernmental Relations
1200 Pennsylvania Ave NW Room 3442 N
Ariel Rios Building
Washington, D.C. 20460

Dear Sir/Madam:

Enclosed is information received from my constituent, Mr. Timothy Barnett. I believe the enclosed information is self-explanatory.

Any assistance your office can provide to Mr. Barnett would be greatly appreciated. Please keep me advised by sending a reply to my district office at 650 East Davidson Street, Bartow, Florida 33830.

Thank you for your assistance.

May God bless America.

Sincerely yours,

Adam H. Putnam

Adam H. Putnam
Member of Congress

AHP:at

Enclosure

PRINTED ON RECYCLED PAPER

10/30/07

To: Congressman Adam H. Putnam
650 E. Davidson Street
Bartow Florida 33830

Dear Congressman Putnam,

I have enclosed a copie off the EPA report discused in my E-mail to you on 10/30/07. I hope you can steer me in the proper direction if your office cant help me in this matter.

Thank's
Timothy A. Barnett
(b) (6) [redacted]
Lakeland Fl. (b) (6) [redacted]

RECEIVED
OCT 31 2007
Adam H. Putnam, M.C.
District Office

CONFIDENTIAL
Hazard Ranking System Preliminary Score
for
CSXT-Lakeland Yard
Lakeland, Polk County, Florida
EPA ID FLD981930464

The Hazard Ranking System (HRS) score for the CSXT-Lakeland Yard site was calculated using the Site Inspection Worksheets. Pathways evaluated include groundwater migration, surface water migration, soil exposure, and air migration. The site was scored using data obtained from the SI conducted at the site by Black & Veatch Special Projects Corp. in July 1999. The score reflects a Hazardous Waste Quantity (HWQ) value of 10 for all pathways, based on the area of contaminated soil. The area of contaminated soil was determined based on the former millhouse area, FGE fueling area, oil/water separator area, aboveground fuel storage tank area, and the diesel shop area.

The groundwater migration pathway was evaluated based on potential to release to the karst Floridan aquifer system. The residents within a 4-mile radius of the site are supplied by community and municipal wells completed in the Floridan aquifer. Community wells within a 4-mile radius include 14 wells serving an estimated 3,447 persons. There are 13 municipal wells from the City of Lakeland, serving a population of 123,970 persons. Aluminum, arsenic, barium, beryllium, cadmium, calcium, chromium, lead, iron, manganese, sodium, potassium, vanadium, zinc, bromodichloromethane, chloroform, dibromochloromethane, acenaphthene, dibenzofuran, fluorene, 2-methylnaphthalene, naphthalene, phenanthrene, carbazole, and trichloroethene were detected at elevated levels in shallow groundwater samples collected during this sampling investigation. Aluminum, barium, cadmium, calcium, chromium, cobalt, iron, magnesium, nickel, potassium, silver, vanadium, bromodichloromethane, carbon disulfide, 1,1-dichloroethane, trichloroethene, acenaphthene, carbazole, dibenzofuran, fluorene, 2-methylnaphthalene, naphthalene, and phenanthrene were detected at elevated levels in intermediate groundwater samples collected during this sampling investigation. The groundwater pathway may be a concern at the CSXT-Lakeland Yard site.

The surface water migration pathway was evaluated based on potential to release to Lake Bonnet. Surface water runoff from the site flows west approximately 600 feet entering Lake Bonnet. Lake Bonnet appears to be a sinkhole and would therefore be the end of the surface water pathway. The site is not located within a 100-year flood plain. No surface water intakes, fisheries, or endangered species have been identified in Lake Bonnet during any of the previous investigations. However, many of the lakes in the area are reportedly used for recreational fishing and/or boating. There were no sediment or surface water samples

View f:\asp\qng\email_objects\200710\5\103065333a.txt

From: Web forms <webforms@heoc-www6.house.gov>
Date: 10/30/2007 4:05:03 AM
To: imafl12@mail.house.gov
Subject: Website Email From TIMOTHY BARNETT -- EV

HOW ARE YOU TODAY MR.PUTNAM?GOOD I HOPE.I AM CONTACTING YOU IN REGARD TO THE ABANDONED CSX RAILYARD IN THE CITY OF LAKELAND.I RECEAVED A COPIE OF A EPA REPORT ON THIS SITE FROM THE DEP OFFICE IN TAMPA.THIS I MADE A COPIE OF WHILE I WAS CHECKING INTO THE LANDIA CHEMICAL SUPERFUND PRODGECT.THIS REPORT WAS WITH THE INFO CONCERNING LANDIA.THE FILE NUMBER FOR THE CSX SITE IS EPA FLD981930464.THIS REPORT WAS DONE IN THE LATE 1980 ERA.THE MAIN REASON FOR MY CONTACTING YOU IS I HAVE CONCERNS ABOUT THE PROPERTY.THIS BEING DUE TO IT BEING VERY CLOSE TO MY HOME.THE REPORT STATES THAT THERE ARE MANY TOXINS AND HAZARDUS CHEMICALS ON THE PROPERTY.THESE SUBSTANCES WERE FOUND IN THE SHALLOW AND THE INTERMEDIATE GROUND WATER TESTS.MANY OF THESE PRODUCTS ARE IN HIGH CONCENTRATION IN THE INDUSTRY STANDARDS CHARTS.THE OTHER CONCERNS ARE OF THE STORM WATER MIGRATION THAT ENDS AT LAKE BONNET.I AM SENDING YOU A COPIE OF THE COVER SHEET VIA U.S. MAIL.YOU MAY ALREADY HAVE THE FULL REPORT OF
37 PAGES.ONE OF THE OTHER QUESTIONS I HAVE IS THE WATER QUALITY IN LAKE BONNET SAFE?I HAVE CONTACTED THE DEP IN THIS MATTER WITH THE SAME QUESTIONS.I HAVE NOT RECEAVED A REPLY IN THIS MATTER FROM THERE AGENCY.AS YOU WILL SEE IN THIS REPORT THERE MAY BE A POSSIBLE IMPACT ON THE POTABLE WATER SUPPLYS IN LAKELAND.MY HOME AND MANY OTHERS ARE ON THE BANK OF THIS LAKE.SO YOU CAN UNDERSTAND THE CONCERNS OF MY FAMILY AND THE OTHERS HERE.THERE IS ANOTHER ISSUE IN THE MATTER OF THIS SITE.THIS BEING THE LAKELAND INTOWN BYPASS.THIS WOULD BE THE GEORGE GENKENS PHASE.I HAVE TALKED WITH THE BARTOW DOT OFFICE INFORMATION OFFICER.HIS NAME IS WILLIAM THOMAS JR. HE TOLD ME THAT HE WAS NOT AWARE OF ANY CONTAMINATION ON THIS SITE.HE SUGESTED I SPEAK WITH THE CITY OF LAKELAND.I TALKED TO GOW FEILDS.HE IS THE CITY COMMISSIONER FOR THIS DISTRIC.HE INFORMED ME THAT THE SITE IN QUESTION WAS CLEARED BY THE DEP.HE SAID THERE STANDARD OF SOIL QUALITY WAS TO THE STANDARD OF THIS TYPE OF EXPOSER.HE CLAIME
D
THE STANDARD IS A PERSON COULD EAT A TEASPOON OF THE HIGHEST LEVEL OF CONTAMINATED SOIL FOR ONE YEAR WITH NO ILL AFFECTS.I DONT KNOW IF THIS IS THE RAITING SYSTEM OR DO I WISH TO DISPUTE THE FACTS WITH MR.FEILDS.I JUST WANT A TECKNICAL SET OF FACTS ON THE PROPERTY,AND THE FUTURE AND PAST IMPACT THIS AREA THAT MAY HAVE ALREADY OCCURED OR MAY IN THE FUTURE.I HAVE ALSO FORWARDED THE SAME BASIC E-MAIL TO SENATOR DOCKERY THIS WEEK,AND I ALSO HAVE SENT A COPIE OF THE COVER SHEET TO HER ALSO.MAYBE BETWEEN THE TWO OF YOU I MAY BE ABLE TO GET SOME OF THE ANSWERS I AM SEEKING.GOW FEILDS ACUSSED ME OF CLAIMING THAT THERE WAS A GREAT CONSPIRACY GOING ON,AND I NEED TO CURB THE TYPE OF QUESTIONS THAT I ASK.THE QUESTIONS I ASK ARE VALID, DOO TO MY JOB EXPERIANCE IN MY YEARS WORKING AS A CERTIFIDED LANDFILL OPERATOR.MY KNOWLEGE IN MANY ASPECTS OF THIS REPORT MAY HAVE INTIMIDATED HIM.THIS I DID NOT WISH TO DO AT ALL.I AM A PERSON THAT ASKS ALOT OF QUESTIONS.THIS IS THE ONLY WAY TO GET ENOUGH

ANSWERS.THE DOCUMENT WILL BE IN THE MAIL TODAY 10/30/07.THANK YOU FOR GIVEING ME THE OPERTUNITY TO CONTACT YOU.HAVE A GOOD DAY. TIMOTHY A. BARNETT

==== Original Formatted Message Starts Here ====

Date: 10/30/2007, 02:36
X-URL: http://www.adamputnam.house.gov/pages/contact.html
Browser: Mozilla/4.0 (compatible; MSIE 7.0; Windows NT 5.1; .NET CLR 1.1.4322)
X-Remote-Host: 65.35.81.31
<APP>SCCMAIL
<PREFIX> MR. </PREFIX>

CONFIDENTIAL
Hazard Ranking System Preliminary Score
for
CSXT-Lakeland Yard
Lakeland, Polk County, Florida
EPA ID FLD981930464

The Hazard Ranking System (HRS) score for the CSXT-Lakeland Yard site was calculated using the Site Inspection Worksheets. Pathways evaluated include groundwater migration, surface water migration, soil exposure, and air migration. The site was scored using data obtained from the SI conducted at the site by Black & Veatch Special Projects Corp. in July 1999. The score reflects a Hazardous Waste Quantity (HWQ) value of 10 for all pathways, based on the area of contaminated soil. The area of contaminated soil was determined based on the former millhouse area, FGE fueling area, oil/water separator area, aboveground fuel storage tank area, and the diesel shop area.

The groundwater migration pathway was evaluated based on potential to release to the karst Floridan aquifer system. The residents within a 4-mile radius of the site are supplied by community and municipal wells completed in the Floridan aquifer. Community wells within a 4-mile radius include 14 wells serving an estimated 3,447 persons. There are 13 municipal wells from the City of Lakeland, serving a population of 123,970 persons. Aluminum, arsenic, barium, beryllium, cadmium, calcium, chromium, lead, iron, manganese, sodium, potassium, vanadium, zinc, bromodichloromethane, chloroform, dibromochloromethane, acenaphthene, dibenzofuran, fluorene, 2-methylnaphthalene, naphthalene, phenanthrene, carbazole, and trichloroethene were detected at elevated levels in shallow groundwater samples collected during this sampling investigation. Aluminum, barium, cadmium, calcium, chromium, cobalt, iron, magnesium, nickel, potassium, silver, vanadium, bromodichloromethane, carbon disulfide, 1,1-dichloroethane, trichloroethene, acenaphthene, carbazole, dibenzofuran, fluorene, 2-methylnaphthalene, naphthalene, and phenanthrene were detected at elevated levels in intermediate groundwater samples collected during this sampling investigation. The groundwater pathway may be a concern at the CSXT-Lakeland Yard site.

The surface water migration pathway was evaluated based on potential to release to Lake Bonnet. Surface water runoff from the site flows west approximately 600 feet entering Lake Bonnet. Lake Bonnet appears to be a sinkhole and would therefore be the end of the surface water pathway. The site is not located within a 100-year flood plain. No surface water intakes, fisheries, or endangered species have been identified in Lake Bonnet during any of the previous investigations. However, many of the lakes in the area are reportedly used for recreational fishing and/or boating. There were no sediment or surface water samples

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12TH DISTRICT, FLORIDA

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Congress of the United States
House of Representatives
Washington, DC 20515

Fax Transmission

TO: EPA Congressional

FROM:

Washington Office
- ☐ Mathew Joyner
- ☐ Brooke McKnight
- ☐ Karen Williams
- ☐ Kristene Henkelman
- ☐ Ashley Fishburn
- ☐ Susan Lindahl
- ☐ Corinne Williams
- ☐ Nathan Patterson
- ☐

District Office
- ☐ Cheryl Fulford
- ☐ Pam Fuller
- ☐ Josée Duchesneau
- ☐ Donna Adams
- ☑ Amy Topol – Phone - 863/534-3530 amy.topol@mail.house.gov
- ☐ Kelly White
- ☐ Anne Bell
- ☐

Fax: 202/501-1519 **Pages:** 5

Phone: **Date:** 11-7-07

Re: Barnett **CC:**

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ADAM H. PUTNAM
12TH DISTRICT, FLORIDA

HOUSE REPUBLICAN CONFERENCE CHAIRMAN

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www.adamputnam.house.gov

Congress of the United States
House of Representatives

March 17, 2008

Associate Administrator
Environmental Protection Agency
Congressional and Intergovernmental Relations
1200 Pennsylvania Ave NW Room 3442 N
Ariel Rios Building
Washington, D.C. 20460-0001

Dear Sir/Madam:

Enclosed is information received from my constituents, Mr. and Mrs. William Carson. I am forwarding this information at the request of Mr. and Mrs. Carson. Any assistance or information your office can provide would be greatly appreciated. Thank you for your assistance.

May God bless America.

Sincerely,

Adam H. Putnam

Adam Putnam
Member of Congress

AHP/ at

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We are seeking advice or assistance from environmentally concerned and connected citizens: How can we contact influential advocates or decision makers who can assist us in making this energy saving innovation into the energy and climate-saver it can be?

This new product - explained herein - can significantly reduce the high levels of "AC" energy now consumed in homes and workplaces. If we can get the new system into buildings generally and stop wasting this energy, the collective savings can be Herculean in scope.

The reason why is this new process targets the enormous amount of energy we now use for air conditioning, which averages from around 50% of total building energy use on a national level, on up to 65% in certain areas.

We originated this new system in 2003 and have installed multiple units that are successfully operating. The units pay for themselves. However, we don't have the means to turn this product into a standard feature for buildings.

The problem for us in accomplishing this is the same problem other energy saving products have faced, that is, that building energy efficiency is just not a high priority for consumers, who would rather put their available building funds into more visible items such as upgraded rooms or furnishings.

As known in such "energy" markets, law makers and regulators have had to overcome such consumer purchasing resistance by offering suppliers development grants; or incentives for buyers (such as the rebates and tax credits on solar products); or by modifying building codes (such as the standards requiring low flush toilets and energy-saving appliances); and even by banning products such as Freon and now, incandescent light bulbs, (mandating a new product that targets just 7% of buildings energy use).

Our search is for similar assistance to "kick-start" this product into general use. We need environmentally-concerned decision makers to help ask…

"What improvement does more than this … who can ignore this?"

Please check it out. See if you agree that this can make a major contribution.

Thank You

William & Sylvia Carson
(b) (6) [redacted] or (b) (6) [redacted]

ADAM H. PUTNAM
12TH DISTRICT, FLORIDA

HOUSE REPUBLICAN CONFERENCE CHAIRMAN

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Congress of the United States
House of Representatives

October 1, 2008

Marcus C. Peacock
Deputy Administrator
United States Environmental Protection Agency
Ariel Rion Capital Building
1200 Pennsylvania Avenue NW
Washington, D.C. 20004
Facsimile: (202) 501-1470

Re: U.S. E.P.A. Region V Solicitation Number PR-R5-07-10098

Dear Mr. Peacock,

This letter is in response to the earlier announced decision of the Office of Acquisition and Resource Management (ARM) to rescind a contract awarded to WRS Infrastructure & Environment, Inc. (WRS) based on Small Business Administration (SBA) regulations which state that the size of the bidder is determined at the time it submits its price.

WRS is located in the congressional district I represent and has contacted my office with concerns about the EPA's recent decision.

According to officials at WRS, EPA's decision leaves the company with no effective appeal rights to the SBA's size decision, despite the right to appeal the decision under SBA's rules. Further, they claim the decision by ARM not only impacts WRS, but other contractors who have grown out of the small business category during the performance of an EPA contract.

I respectfully request a full and fair review of EPA's decision within all applicable laws, agency rules, and regulations.

Sincerely,

Adam H. Putnam
Member of Congress

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12TH DISTRICT, FLORIDA

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Congress of the United States
House of Representatives
Washington, DC 20515

Fax Transmission

To:	EPA Office of Congressional Affairs	**From:**	
Fax:	501-1519	**Pages:**	3
Phone:		**Date:**	November 14, 2008
Re:		**CC:**	

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Attached is the a letter regarding EPA's recent soil fumigant rule from several members of the Florida delegation.

Please let us know if EPA is planning any potential briefings for congressional staff as well.

Thank you

Chloropicrin, Dazomet, Metam Sodium/Potassium, and Methyl Bromide Reregistration Eligibility Decisions, Notice of Availability, FR/Vol. 73, No. 137, Wednesday, July 16, 2008

Chloropicrin, Dazomet, Metam Sodium/Potassium, and Methyl Bromide Reregistration Eligibility Decisions, Notice of Availability; Extension of Comment Period, FR/Vol. 73, No. 169/Friday, August 29, 2008

Congress of the United States
Washington, DC 20515

November 14, 2008

Mr. Stephen L. Johnson
Administrator
Environmental Protection Agency
Ariel Rios Building
1200 Pennsylvania Avenue, N.W.
Washington, DC 20460

Dear Administrator Johnson:

We are writing concerning the recently released Re-registration Eligibility Decisions (REDs) for chloropicrin, dazomet, methyl bromide, and metam sodium/metam potassium by the Environmental Protection Agency (EPA).

We understand from Florida fruit, vegetable and ornamental growers, nursery operators, state agriculture, fumigant applicators and distributors, and manufacturers, that if implemented as issued, the REDs could prevent or limit the ability of many Florida growers to use these extremely valuable crop protection tools. In addition, the proposed REDs could adversely impact quality, quantity, and cost of fruits, vegetables, ornamentals, and forest seedlings in Florida.

Concerns focus on three general areas: buffer zone distances, monitoring and notification requirements, and Fumigant Management Plans (FMPs).

We are advised that the buffer zones currently provided in the REDs maybe overly excessive, and could unnecessarily take substantial amounts of highly productive land out of production and likely put some growers and nursery operators out of business.

While Florida agriculture agrees that reasonable fumigant monitoring and notification may be appropriate, they believe that the requirements in the REDs are overly burdensome and unnecessary, especially in some farm areas. They have urged that EPA consider additional flexibility to avoid potential legal quagmires.

Florida growers and nursery operators are also concerned about the level of detail for FMPs that was included in the REDs. Florida growers utilize best management practices and similar planning mechanisms to help manage their operations. They have requested that EPA revise the RED requirements to ensure that such plans must require relevant information but be in a format that encourages their reporting and not be overly burdensome. Member of Congress

One sector that will be particularly impacted by the proposed REDs is the Florida strawberry industry which produces more than 90 percent of the winter strawberry crop in the United States. The average Florida strawberry farm is about 29 acres, and Florida strawberry growers estimate that the proposed buffer zones and air monitoring requirements will remove more than 4,000 acres of Florida strawberries from production, with a market value of $150 million and a local economic impact of $285 million. We understand that the RED modeling is based on California practices which will not work comparably with Florida's strawberry growing needs.

We understand that your Agency staff has traveled to Florida and met with the state's growers, and that is appreciated. We hope that these meetings and the comments you will receive will allow you to develop reasonable and sound fumigant regulations. If additional data is required on some issues, we hope that you will work with Florida growers and the registrants to allow for the development of such data prior to final regulatory decisions.

Thank you again for your consideration of this important issue.

Sincerely

Adam H. Putnam
Member of Congress

Gus M. Bilirakis
Member of Congress

Corrine Brown
Member of Congress

Tim Mahoney
Member of Congress

Allen Boyd
Member of Congress

Congress of the United States
Washington, DC 20515

December 3, 2009

Administrator Lisa P. Jackson
United State Environmental Protection Agency
1200 Pennsylvania Ave, NW
Washington, DC 20460

Dear Administrator Jackson:

As members of the Florida delegation, we are writing today regarding the proposed EPA numeric nutrient rules for our state. While we all value the health of our waterways, this regulatory change will also have economic impacts on the state, and thus it is important that the standards are based on the best available science.

As we are sure you are aware, Florida has spent several years working with the EPA and over $19 million to collect the necessary data, sound science and community input in developing numeric criteria under the Clean Water Act. We were encouraged to read in your January 14th letter that said the EPA planned to "work closely and collaboratively with the State of Florida to ensure that these numeric nutrient criteria are protective of applicable designated uses, based on sound scientific rationale, responsive to the specific needs of Florida's waters, responsive to available public and stakeholder input, and sufficient to meet the needs of the State's complete suite of water quality management tools." We respectfully ask that as you finalize the proposed rules for the state you work with Florida's Department of Environmental Protection in an open, collaborative manner and utilize its extensive resources of science and data on this issue.

To date, the Florida Nutrient Technical Advisory Committee has met 22 times to openly evaluate and consider the data with industry input from manufacturing to agriculture. This is an excellent model that we strongly encourage you to consider using as you move through this process. The proposed rule will have a widespread effect on Florida's industry and economy, and all concerned parties should be heard.

Thank you for your consideration of our concerns. As you can imagine, this is a very important issue to our state. Florida will be the first state subject to such federal rules, so it is essential that the water quality standards are based on sound science and that all parties concerned have an opportunity to be heard.

Sincerely,

Rep. Thomas J. Rooney

Senator Bill Nelson

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Senator George LeMieux

Rep. Adam Putnam

Rep. Jeff Miller

Rep. Allen Boyd

Rep. Kendrick Meek

Rep. John Mica

Rep. Ileana Ros-Lehtinen

Rep. Ginny Brown Waite

Rep. Lincoln Diaz Balart

Rep. Alcee L. Hastings

Rep. Debbie Wasserman Schultz

Rep. Mario Diaz Balart

Rep. Ander Crenshaw

Rep. Cliff Stearns

Rep. Bill Posey

Rep. Vern Buchanan

Rep. Connie Mack IV

Rep. Suzanne Kosmas

Rep. Gus Bilirakis

Rep. Corrine Brown

Rep. C.W. Bill Young

Rep. Alan Grayson

Rep. Ron Klein

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Congress of the United States
House of Representatives
Washington, DC 20515

Fax Transmission

TO: EPA Cong Affairs

FROM:

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- ☐ Charles Cooper
- ☐ Brooke McKnight
- ☐ Karen Williams
- ☐ Kristene Henkelman
- ☐ Ashley Fishburn
- ☐ J.R. Smith
- ☐ J.D. Hooker
- ☐ Johnny Craig
- ☐

District Office
- ☐ Cheryl Flood
- ☐ Pam Fuller
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- ☐ Keith Rupp
- ☑ Amy Topol – Phone - 863/534-3530 amy.topol@mail.house.gov
- ☐ Kelly White
- ☐ Anne Bell
- ☐ Taunia Sebright

Fax: 202-501-1519 Pages: 17

Phone: Date: 12/30/09

Re: Cook CC:

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ADAM H. PUTNAM
12TH DISTRICT, FLORIDA

FINANCIAL SERVICES COMMITTEE

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Congress of the United States
House of Representatives

December 30, 2009

Associate Administrator
Environmental Protection Agency
Congressional and Intergovernmental Relations
1200 Pennsylvania Ave NW Room 3442 N
Ariel Rios Building
Washington, D.C. 20460-0001

Dear Sir/Madam:

Enclosed is information received from my constituent, Ms. Patricia Cook. I believe the enclosed information is self-explanatory.

Any assistance your office can provide to Ms. Cook would be greatly appreciated. Please keep me advised by sending a reply to my district office at 650 East Davidson Street, Bartow, Florida 33830.

Thank you for your assistance.

May God bless America.

Sincerely,

Adam H Putnam

Adam Putnam
Member of Congress

AHP/at

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Congressman Adam Putnam
620 East Davidson Street
Bartow, Fl 33830

December 23, 2009

RECEIVED

DEC 2 9 2009

Adam H. Putnam, M.C.
District Office

Dear Congressman Putnam:

Thank you for your interest in our current problem with the EPA.

Obligations and commitments during this holiday season have kept me from responding to Amy's requests more timely, and I do appreciate your patience and continued enthusiasm for helping us to resolve this issue.

Enclosed please find the signed Privacy Authorization Form as well as a copy of the following:

- EPA Special Notice Letter (dated Nov 9, 2009) that includes a Demand for Reimbursement of Costs (page 4)
- EPA Summary of Interest Plus Past Costs
  NOTE: **Additional EPA estimated cleanup costs are currently approximately $3,000,000.**
- Our informal response (dated November 30, 2009)
  NOTE: We have not yet sent this response to the EPA. We plan to send it, as is, by the January 8, 2010 deadline, unless we have anything further to add.
- Copy of Title 42, Chapter 103, Subchapter I, Sec. 9607 (a) and (b) that state Liability and defenses.

We do thank you for your time and attention to this matter.

Yes, may God continue to bless America.

Very Sincerely,

Patricia J. Cook

Patricia J. Cook
(Mrs. Stephen J.)
(b) (6) [redacted] Home
(b) (6) [redacted] Cell

Privacy Authorization Form
Congressman Adam H. Putnam

Name: Stephen J. Cook / Patricia J. Cook

Physical Address: (b) (6) [redacted]

Brandon, FL (b) (6) [redacted]

Mailing Address: Same as above

Home Phone: (b) (6) [redacted]

Work Phone: (b) (6) [redacted] (cell)

E-Mail Address: (b) (6) [redacted]

☒ Check if you are interested in receiving periodic e-mail updates from Congressman Putnam.

Social Security #: (b) (6) [redacted] / (b) (6) [redacted]

Date of Birth: [redacted] (b) (6) / [redacted] (b) (6)

Other:

I authorize Congressman Adam H. Putnam and his staff to contact appropriate agencies on my behalf. This is to comply with the Privacy Act of 1974, which provides that as of September 27, 1975, disclosures of information of a personal or confidential nature will no longer be permitted to third parties without the written consent of the individual involved.

Stephen / Patricia Cook — 12/23/09

Signature — Date

Please Return To:
Congressman Adam H. Putnam
650 East Davidson Street
Bartow, Florida 33830
Toll Free: 866/534-3530
Phone: 863/534-3530
Fax: 863/534-3559
www.adamputnam.house.gov

Please explain your problem on the back of this form.

Explain your problem:

We have been notified by the EPA that we are Potentially Responsible Persons for cleanup of a superfund site located at 4209 Raleigh St., Tampa, FL 33619, formally listed as "The Raleigh Street Dump Site", Tampa, Hillsborough County, Florida. The sole reason for our liability is that we are owners of the property. The EPA is aware that the property was illegally used as a dump site for Chloride Battery Co. prior to our purchase of the property. The EPA is also aware of the fact that we did not contribute in any capacity to the contamination of this property. We have pointed out to the EPA that we meet all criteria set forth and therefore qualify for the defense as "Innocent Landowners" as per Title 42, Sec. 9607 (b).

They have not disputed our defense, yet they are now demanding that we set forth a plan for proper cleanup and payment of all costs associated with testing and cleanup of the property.

Attached please find a copy of the demand letter from the EPA dated November 9, 2009 as well as our informal response to this demand notice. We appreciate any help you could give us for resolution of this problem.

Caseworker: _____ Date: _____

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 4
ATLANTA FEDERAL CENTER
61 FORSYTH STREET
ATLANTA, GEORGIA 30303-8960

NOV 0 9 2009

SPECIAL NOTICE LETTER
URGENT LEGAL MATTER
PROMPT REPLY NECESSARY
FEDERAL EXPRESS – OVERNIGHT

Stephen J. and Patricia J. Cook
610 Centerbrook Drive
Brandon, FL 33511

Re: Special Notice Letter for the Raleigh Street Dump Superfund Site, Tampa, Hillsborough County, Florida

Dear Mr. and Mrs. Cook:

This letter follows the general notice and demand letter that the U.S. Environmental Protection Agency (EPA) sent to you on February 3, 2004, in connection with the Raleigh Street Dump Superfund Site (the Site), located in Tampa, Hillsborough County, Florida. In that letter, EPA notified you of your potential responsibility under Section 107(a) of the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA or Superfund), 42 U.S.C. § 9607(a), for the cleanup of the Site, including all costs incurred by the EPA in responding to releases at the Site. EPA is now contacting you in an attempt to resolve your responsibility at the Site.

Background

Based on an extensive review of records related to the release and/or disposal of hazardous substances at the Site, EPA identified you as two of approximately three potentially responsible parties (PRPs) liable as current owners of property comprising the Site. Under the federal Superfund law, you and the other PRPs at the Site are responsible for the costs of cleaning up the Site. EPA has selected a cleanup approach (formally known as a remedial action) for the Site, which is described in a document called a Record of Decision (ROD), which was issued by EPA on June 30, 2009.

Special Notice and Negotiation Moratorium

EPA has determined that use of the special notice procedures set forth in Section 122(e) of CERCLA, 42 U.S.C. § 9622(e), may facilitate a settlement between you, other PRPs, and EPA for implementation of the response action. Under Section 122(e), this letter triggers a sixty (60)-day moratorium on certain EPA response activities at the Site. During this 60-day moratorium, EPA will not begin the response action at the Site. However, EPA reserves the right to take action at the Site at any time should a significant threat to human health or the environment arise.

During this 60-day period, you and the other PRPs are invited to participate in formal negotiations with EPA in an effort to reach a settlement to conduct or finance the response action at the Site. The 60-day negotiation period ends on **January 8, 2010**. The 60-day negotiation moratorium will be extended for an additional sixty (60) days if PRPs provide EPA with a "good faith offer" to conduct or finance the response action and to reimburse EPA for its costs incurred to date. If EPA determines that your proposal is not a "good faith offer," you will be notified in writing of EPA's decision to end the moratorium. If the moratorium is extended for an additional 60 days, negotiations will conclude on **March 9, 2010**. If settlement is reached between EPA and the PRPs within the 120-day negotiation moratorium, the settlement will be embodied in a Consent Decree for Remedial Design/Remedial Action (RD/RA). When approved by EPA and the U.S. Department of Justice (DOJ), the Consent Decree will then be lodged in federal court.

If a "good faith offer" is not received by January 8, 2010, or a timely settlement cannot be reached, EPA may take appropriate action at the Site, which may include either of the following options: (1) EPA may fund the remedial action and pursue a cost recovery claim under 107 of CERCLA against you and/or the other PRPs; or (2) EPA may issue a Unilateral Administrative Order (UAO) to you and/or the other PRPs under Section 106(a) of CERCLA, 42 U.S.C. § 9606, requiring you and/or the other PRPs to perform the work described in the ROD. If the recipients of a UAO refuse to comply with the UAO, EPA may pursue civil litigation against the recipients to require compliance.

Pursuant to the Superfund Reforms announced on October 2, 1995, when EPA enters into future RD/RA settlements, EPA intends to compensate settlors for a portion of the shares specifically attributable to insolvent and defunct PRPs ("orphan share"), if any. EPA believes that there may be PRPs at this Site who are insolvent or defunct. These parties include: John A. Manfrin, Chloride Metals, Inc., and Chloride Metals' successor, Exide Technologies, et al. Exide filed for Chapter 11 bankruptcy protection in the United States Bankruptcy Court for the District of Delaware on April 15, 2002 (Chapter 11 Case No. 02-11125 (KJC)). Therefore, if you, either individually or with other PRPs, enter into an RD/RA settlement with EPA and provide sufficient information about the liability and relative shares of responsibility of insolvent and defunct PRPs, EPA will analyze the information and determine whether to consider the shares of these parties in the amount of EPA's past costs and future oversight costs to recover in such settlement.

PRP Steering Committee

To assist PRPs in negotiating with EPA concerning this matter, EPA is attaching to this letter a list of the names and addresses of other PRPs to whom it is sending this Notice. EPA recommends that all PRPs meet to select a steering committee responsible for representing the group's interests. EPA recognizes that the allocation of responsibility among PRPs may be difficult. If PRPs are unable to reach consensus among themselves, we encourage the use of the services of a neutral third party to help allocate responsibility. Third parties are available to facilitate negotiations. At the PRPs' request, EPA will provide a list of experienced third-party mediators, or help arrange for a mediator.

Good Faith Offer

A proposed Consent Decree is enclosed to assist the PRP Steering Committee in developing a "good faith offer."[1] As indicated, the 60-day negotiation moratorium triggered by this letter is extended for 60 days if the PRPs timely submit a "good faith offer" to EPA. A "good faith offer" to conduct or finance the remedial action is a written proposal that demonstrates the PRPs' qualifications and willingness to perform such work and includes the following elements:

- a statement of the PRPs' willingness and financial ability to implement the requirements of the ROD and proposed Consent Decree and that provides a sufficient basis for negotiation;
- a demonstration of the PRPs' technical capability to carry out the remedial action, including identification of the firm(s) that may actually conduct the work or a description of the process that will be undertaken to select the firm(s);
- a detailed work plan identifying how the PRPs intend to proceed with the remedial action;
- a statement of the PRPs' willingness to reimburse EPA for costs EPA will incur in overseeing the PRPs' implementation of the remedial action;
- a response to the proposed Consent Decree (if the PRP Steering Committee's offer contemplates modifications to the Consent Decree, please make revisions or edits accordingly and submit a redline strikeout version showing the proposed modifications);

[1] This draft Consent Decree is not currently binding on EPA and is subject to revision and approval by EPA and DOJ. It is based on the model RD/RA Consent Decree (October 2009), which is available on the Internet at:
http://www.epa.gov/compliance/resources/policies/cleanup/superfund/rev-rdra-2009-mem.pdf

- a list identifying each party on whose behalf the offer is being made, including name, address, and telephone number of each party; and

- the name, address, and phone number of the party representing the PRPs in negotiations.

Demand for Reimbursement of Costs

With this letter, EPA demands that you reimburse EPA for its costs incurred to date, and encourages you to voluntarily negotiate a consent decree in which you and other PRPs agree to perform the Remedial Design/Remedial Action.

In accordance with Section 104 of CERCLA, 42 U.S.C. § 9604, EPA has already taken certain response actions and incurred certain costs in response to conditions at the Site. These response actions include:

- a Preliminary Assessment (PA) and Site Investigation (SI) in order to gain a basic understanding of any risks posed to human health and/or the environment by releases or threatened releases from the Site;

- a two-phase Remedial Investigation (RI) to identify the Site characteristics and to define the nature and extent of soil, air, surface water, and groundwater contamination at the Site and the risks posed by the Site;

- an Ecological Evaluation;

- a Feasibility Study (FS) to evaluate different cleanup options for the Site;

- preparation of the Record of Decision (ROD) selecting the remedy for the Site; and

- a Public Health Assessment was prepared pursuant to CERCLA by the Agency for Toxic Substances and Disease Registry (ATSDR).

EPA is seeking to recover from you and other PRPs at the Site its response costs and all the interest authorized to be recovered under Section 107(a) of CERCLA. The approximate total response costs and interest identified through August 26, 2009, for the Site are $3,633,306.39. Under Section 107(a) of CERCLA, EPA hereby makes a demand for payment from you and other PRPs for the above amount. A summary of these costs is included as Enclosure A.

Financial Concerns/Ability to Pay Settlements

EPA is aware that the financial ability of some PRPs to contribute toward the payment of response costs at a site may be substantially limited. If you believe, and can document, that you fall within that category, please contact Rhelyn Finch, Associate Regional Counsel, at (404) 562-9807 for information on "Ability to Pay Settlements." PRPs must formally request an Ability to Pay settlement. If EPA concludes that you have a legitimate inability to pay the full amount of EPA's costs, EPA may offer a schedule for payment over time and/or a reduction in the total amount demanded from you.

Some or all of the costs associated with this notice may be covered by current or past insurance policies issued to you. Most insurance policies will require that you timely notify your carrier(s) of a claim against you. To evaluate whether you should notify your insurance carrier(s) of this demand, you may wish to review current and past policies, beginning with the date of your first contact with the Raleigh Street Dump Superfund Site, up to the present. Coverage depends on many factors, such as the language of the particular policy and state law.

In the event that you file for protection in a bankruptcy court, you must include EPA as creditor because EPA has a potential claim against you. EPA reserves the right to file a proof of claim or application for Reimbursement of Administrative Expenses.

Administrative Record

In accordance with Section 113 of CERCLA, 42 U.S.C. § 9613, EPA has established an Administrative Record containing the documents that serve as the basis for EPA's selection of the appropriate response action for the Site. This Administrative Record will be located at the 78 Street Community Library in Tampa, Florida, and will be available to the public for inspection and comment. The Administrative Record is also available for inspection and comment at the Superfund Records Center, EPA Region 4, Sam Nunn Atlanta Federal Center, 61 Forsyth St. S.W., Atlanta, Georgia. You may wish to review the Administrative Record to assist you in responding to this letter, but your review should not delay such response beyond the 60-day period provided by CERCLA.

PRP Response and EPA Contact Person

You are encouraged to contact EPA **before January 8, 2010**, to indicate your willingness to participate in future negotiations concerning this Site. You may respond individually or through a PRP Steering Committee if such a committee has been formed. If EPA does not receive a timely response, EPA will assume that you do not wish to negotiate a resolution of your liabilities in connection with the Site and that you decline any involvement in performing the response activities.

Your response (or the PRP Steering Committee's response) to this Special Notice Letter and the demand for costs included herein, including written proposals to perform the remedial action selected for the Site, should be sent to:

Michael Taylor, Remedial Project Manager
U.S. Environmental Protection Agency
Superfund Remedial Branch
61 Forsyth St. S.W.
Atlanta, GA 30303

A copy of your response should also be sent to:

Rhelyn Finch, Associate Regional Counsel
U.S. Environmental Protection Agency
Office of Environmental Accountability
61 Forsyth St. S.W.
Atlanta, GA 30303

Janice Thomas, Enforcement Project Manager
U.S. Environmental Protection Agency
Superfund Enforcement and Information Management Branch
61 Forsyth St. S.W.
Atlanta, GA 30303

The factual and legal discussions in this letter are intended solely to provide notice and information, and such discussions are not to be construed as a final EPA position on any matter set forth herein. Due to the seriousness of the environmental and legal problems posed by the conditions at the Site, EPA urges that you give immediate attention and prompt response to this letter.

In addition, EPA has notified the Federal Natural Resource Trustee[2] and the Florida Department of Environmental Protection of EPA's intention to perform or enter into negotiations for the performance of response actions at the Site.

---

[2] The natural resource trustees are government agencies that have been given the authority to assess the injury to natural resources caused by the release of hazardous substances and to seek the restoration, replacement, or acquisition of equivalent natural resources. The Federal Natural Resource Trustees include the Departments of Agriculture, Commerce, Defense, Energy and Interior. In addition, States and Tribes are Natural Resource Trustees.

If you have any questions regarding the technical aspects of this letter, please contact Michael Taylor, Remedial Project Manager, at (404) 562-8762. If you have an attorney handling your legal matters, please direct his or her questions to Rhelyn Finch, Associate Regional Counsel, at (404) 562-9807. If you have any other questions regarding this letter, please contact Janice Thomas, Enforcement Project Manager, at (404) 562-8895.

My staff and I look forward to working with you during the coming months.

Sincerely,

Carol Monell

Carol Monell, Chief
Superfund Remedial Branch
Superfund Division

Enclosures

A. SCORPIOS Cost Report and Interest Calculation
B. Draft Remedial Design/Remedial Action Consent Decree and Statement of Work
C. Raleigh Street Dump Site Record of Decision ("ROD"), issued June 30, 2009
D. List of PRPs receiving this notice

cc: Tom Patka, Esq. (w/ enclosures)
Doug Jones, Chief, Bureau of Waste Cleanup, Division of Waste Management, FDEP (w/o enclosures)
Gregory Hogue, Regional Environmental Officer, Office of Environmental Policy and Compliance, U.S. Department of the Interior (w/o enclosures)
Michel L. Gielazyn, NOAA Regional Resource Coordinator (w/o enclosures)
Jack Chisolm, Deputy General Counsel, Air & Waste Division, FDEP Office of General Counsel (w/o enclosures)

ENCLOSURE A

SCORPIOS Cost Reports and Interest Calculation

RALEIGH STREET DUMP SITE
Tampa, Hillsborough County, Florida

SITE ID A4J7

SUMMARY OF INTEREST PLUS PAST COSTS

Total Interest for Period 2/3/2004 to 8/26/2009 on $1,517,274.77 (amount demanded in General Notice/Demand Letter dated 2/03/04)		$ 301,381.41
Total Site Costs, excluding interest, for period through 3/12/2009		$ 3,207.731.16
Total Site Costs, excluding interest, for period 3/13/2009 to 8/26/2009	+	$ 124,193.82
TOTAL DEMANDED		**$ 3,633,306.39**

November 30, 2009

The following is our informal response to the EPA request **SPECIAL NOTICE LETTER** dated Nov 09, 2009.

(b) (6)

Please NOTE:

(b) (6)

The Facts show:

1) We do meet the criteria as stated in Title 42, Section 9607 (b) and are therefore not liable for this cleanup
2) We do not have the funds to meet the demands of this cleanup

Additionally, we have spent (b) (6) in attorneys' fees for services rendered in dealing with this case, including those of our current attorney Mr. Patka. We would be willing to offer an additional $20,000 towards the cleanup of this property. However, we cannot continue to do battle over the Law and the Facts *in addition* to cleanup costs.

Please advise if you would like for us to send a check to put towards this cleanup and be done with this, or if we need to hold onto these funds for future attorney's fees to continue defending our status as "Innocent Landowners"

From the U.S. Code Online via GPO Access
[wais.access.gpo.gov]
[Laws in effect as of January 7, 2003]
[Document not affected by Public Laws enacted between
January 7, 2003 and December 19, 2003]
[**CITE: 42USC9607**]

TITLE 42--THE PUBLIC HEALTH AND WELFARE

CHAPTER 103--COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION, AND LIABILITY

SUBCHAPTER I--HAZARDOUS SUBSTANCES RELEASES, LIABILITY, COMPENSATION

Sec. 9607. Liability

(a) Covered persons; scope; recoverable costs and damages; interest rate; ``comparable maturity'' date

Notwithstanding any other provision or rule of law, and subject only to the defenses set forth in subsection (b) of this section--

(1) the owner and operator of a vessel or a facility,

(2) any person who at the time of disposal of any hazardous substance owned or operated any facility at which such hazardous substances were disposed of,

(3) any person who by contract, agreement, or otherwise arranged for disposal or treatment, or arranged with a transporter for transport for disposal or treatment, of hazardous substances owned or possessed by such person, by any other party or entity, at any facility or incineration vessel owned or operated by another party or entity and containing such hazardous substances, and

(4) any person who accepts or accepted any hazardous substances for transport to disposal or treatment facilities, incineration vessels or sites selected by such person, from which there is a release, or a threatened release which causes the incurrence of response costs, of a hazardous substance, shall be liable for--

(A) all costs of removal or remedial action incurred by the United States Government or a State or an Indian tribe not inconsistent with the national contingency plan;

(B) any other necessary costs of response incurred by any other person consistent with the national contingency plan;

(C) damages for injury to, destruction of, or loss of natural resources, including the reasonable costs of assessing such injury, destruction, or loss resulting from such a release; and

(D) the costs of any health assessment or health effects study carried out under section 9604(i) of this title.

The amounts recoverable in an action under this section shall include interest on the amounts recoverable under subparagraphs (A) through (D). Such interest shall accrue from the later of (i) the date payment of a specified amount is demanded in writing, or (ii) the date of the expenditure concerned. The rate of interest on the outstanding unpaid balance of the amounts recoverable under this section shall be the same rate as is specified for interest on investments of the Hazardous Substance Superfund established under subchapter A of chapter 98 of title 26. For purposes of applying such amendments to interest under this subsection, the term ``comparable maturity'' shall be determined

with reference to the date on which interest accruing under this subsection commences.

(b) Defenses

There shall be no liability under subsection (a) of this section for a person otherwise liable who can establish by a preponderance of the evidence that the release or threat of release of a hazardous substance and the damages resulting therefrom were caused solely by--

(1) an act of God;

(2) an act of war;

(3) an act or omission of a third party other than an employee or agent of the defendant, or than one whose act or omission occurs in connection with a contractual relationship, existing directly or indirectly, with the defendant (except where the sole contractual arrangement arises from a published tariff and acceptance for carriage by a common carrier by rail), if the defendant establishes by a preponderance of the evidence that (a) he exercised due care with respect to the hazardous substance concerned, taking into consideration the characteristics of such hazardous substance, in light of all relevant facts and circumstances, and (b) he took precautions against foreseeable acts or omissions of any such third party and the consequences that could foreseeably result from such acts or omissions; or

(4) any combination of the foregoing paragraphs.

(c) Determination of amounts

(1) Except as provided in paragraph (2) of this subsection, the liability under this section of an owner or operator or other responsible person for each release of a hazardous substance or incident involving release of a hazardous substance shall not exceed--

(A) for any vessel, other than an incineration vessel, which carries any hazardous substance as cargo or residue, $300 per gross ton, or $5,000,000, whichever is greater;

(B) for any other vessel, other than an incineration vessel, $300 per gross ton, or $500,000, whichever is greater;

(C) for any motor vehicle, aircraft, hazardous liquid pipeline facility (as defined in section 60101(a) of title 49), or rolling stock, $50,000,000 or such lesser amount as the President shall establish by regulation, but in no event less than $5,000,000 (or, for releases of hazardous substances as defined in section 9601(14)(A) of this title into the navigable waters, $8,000,000). Such regulations shall take into account the size, type, location, storage, and handling capacity and other matters relating to the likelihood of release in each such class and to the economic impact of such limits on each such class; or

(D) for any incineration vessel or any facility other than those specified in subparagraph (C) of this paragraph, the total of all costs of response plus $50,000,000 for any damages under this subchapter.

(2) Notwithstanding the limitations in paragraph (1) of this subsection, the liability of an owner or operator or other responsible person under this section shall be the full and total costs of response and damages, if (A)(i) the release or threat of release of a hazardous substance was the result of willful misconduct or willful negligence within the privity or knowledge of such person, or (ii) the primary cause of the release was a violation (within the privity or knowledge of such person) of applicable safety, construction, or operating standards

Congress of the United States
Washington, DC 20515

February 4, 2010

The Honorable Lisa Jackson
Administrator
United States Environmental Protection Agency
1200 Pennsylvania Avenue, NW
Washington, DC 20460

Dear Administrator Jackson:

As you know, the Environmental Protection Agency (EPA) has issued a proposed rule establishing numeric nutrient criteria for Florida water bodies. As part of a consent decree EPA entered into with several litigants, a commitment was made by EPA to issue a final rule by October 15, 2010, for lakes and flowing waters, and for estuaries and coastal waters by October 15, 2011. The proposed rule is lengthy, technical, and will take time for experts, much less lay stakeholders, to understand its implications. Moreover, there is some disagreement between scientists at the EPA and at the Florida Department of Environmental Protection (DEP) regarding the data each entity is using. It is our understanding the EPA will accept comments for sixty days from the date of publication in the Federal Register and has scheduled only three public hearings on the proposed rule to be held in Tallahassee, Orlando, and West Palm Beach from February 16 -18.

These regulations will impact every citizen, local governments, and the business community. The more time and information the public has to understand these rules provides more time to plan and consider the costs and benefits of implementation. Hosting three hearings in a narrow time period, in a state with more than 18 million residents is simply inadequate to review this complicated proposal. Furthermore, a sixty day comment period, which expires forty days after the date of the first public hearing, provides insufficient time for stakeholders to submit meaningful and comprehensive comments.

Therefore, we strongly urge you to extend the comment period and host additional public hearings throughout the state. Florida residents deserve a full and thorough public airing of these proposed regulations and adequate time to understand what will be required of them when the rules are implemented. An administration that has consistently advocated for more transparency within the governing process should welcome the opportunity to provide more stakeholders with a better understanding of these complex regulations in urban and rural areas alike.

Sincerely,

BILL NELSON	GEORGE LEMIEUX	ADAM H. PUTNAM
United States Senator	United States Senator	Member of Congress

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TOM ROONEY
Member of Congress

ALLEN BOYD
Member of Congress

JOHN MICA
Member of Congress

ALCEE HASTINGS
Member of Congress

MARIO DIAZ-BALART
Member of Congress

LINCOLN DIAZ-BALART
Member of Congress

VERN BUCHANAN
Member of Congress

CLIFF STEARNS
Member of Congress

C.W. BILL YOUNG
Member of Congress

CONNIE MACK
Member of Congress

ILEANA ROS-LEHTINEN
Member of Congress

CORRINE BROWN
Member of Congress

ANDER CRENSHAW
Member of Congress

GUS BILIRAKIS
Member of Congress

GINNY BROWN-WAITE
Member of Congress

JEFF MILLER
Member of Congress

SUZANNE M. KOSMAS
Member of Congress

ADAM H. PUTNAM
12TH DISTRICT, FLORIDA

FINANCIAL SERVICES COMMITTEE

442 CANNON HOUSE OFFICE BUILDING
WASHINGTON, DC 20515-0912
(202) 225-1252

650 EAST DAVIDSON STREET
BARTOW, FL 33830-4832
(863) 534-3530
1 (866) 534-3530

www.adamputnam.house.gov

Congress of the United States
House of Representatives

June 10, 2010

U.S. Department of Housing and Urban Development
The Honorable Shaun Donovan, Secretary
451 7th Street S.W.
Washington, DC 20410

U.S. Consumer Product Safety Commission
Inez Tenenbaum, Chairman
4330 East West Highway
Bethesda, MD 20814

U.S. Department of Environmental Protection Agency
Lisa P. Jackson, Administrator
Ariel Rios Building
1200 Pennsylvania Avenue, N.W.
Washington, DC 20460

Centers for Disease Control and Prevention
Thomas R. Frieden, M.D., M.P.H., Director
Office of the Director
1600 Clifton Road
Atlanta, GA 30333

Dear Sirs/Madams:

I am writing to express my concern regarding the serious issues that continue to affect dwellings built with defective Chinese drywall in Florida. As you know, the U.S. Consumer Product Safety Commission (CPSC) has received 3,343 reports of health symptoms or the corrosion of certain metal components in their homes related to the presence of drywall produced in China, as of May 25, 2010. This includes at least 1,925 reported cases in the state of Florida, or roughly 58% of all reported cases nationally.

The Interagency Task Force on Defective Drywall is charged with providing guidance on the full range of factors needed to respond to problems raised by defective drywall. As such, the U.S. Department of Housing and Urban Development (HUD) has provided that Community Development Block Grants (CDBG) may be used to help affected homeowners, and has authorized Federal Housing Administration (FHA) mortgage lenders to extend temporary relief to drywall-affected homeowners. It is also my understanding that the Federal Housing Finance Agency (FHFA) is working toward providing guidance to Fannie Mae and Freddie Mac concerning Fannie Mae- and Freddie Mac-owned or guaranteed mortgages affected by Chinese drywall.

While I commend the efforts put forth by the Interagency Task Force, the problem continues to grow, as do the frustrations by those affected. I continue to hear from Floridians, not only concerning the long-term health and safety implications of Chinese drywall, but the day-to-day impact this has on the lives of homeowners and tenants trying to remediate what they call "home."

As the Interagency Task Force on Defective Drywall continues to develop protocol and issue guidance, I urge the Task Force, within all applicable rules, laws, and regulations, to work in a timely manner to find a long-term solution comparable to all stakeholders involved, including affected residents, lenders, servicers, and taxpayers.

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Thank you for your attention to this matter. I appreciate your consideration and look forward to your response.

Sincerely,

Adam H. Putnam
Member of Congress

Cc: Edward DeMarco, Acting Director, Federal Housing Finance Agency

ADAM H. PUTNAM
12TH DISTRICT, FLORIDA

FINANCIAL SERVICES COMMITTEE

442 CANNON HOUSE OFFICE BUILDING
WASHINGTON, DC 20515-0912
(202) 225-1252

650 EAST DAVIDSON STREET
BARTOW, FL 33830-4832
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1 (866) 534-3530

www.adamputnam.house.gov

Congress of the United States
House of Representatives

July 12, 2010

Ms. Joyce K. Frank
Associate Administrator
Environmental Protection Agency
Congressional and Intergovernmental Relations
1200 Pennsylvania Ave NW Room 3442 N
Ariel Rios Building
Washington, D.C. 20460-0001

Dear Sir/Madam:

Enclosed is information received from my constituent, Mr. Trenton Perkins. I believe the enclosed information is self-explanatory.

Any assistance your office can provide to Mr. Perkins would be greatly appreciated. Please keep me advised by sending a reply to my district office at 650 East Davidson Street, Bartow, Florida 33830.

Thank you for your assistance.

May God bless America.

Sincerely,

Adam

Adam Putnam
Member of Congress

AHP/at

PRINTED ON RECYCLED PAPER

RECEIVED
JUL 06 2010
Adam H. Putnam, M.C.
District Office

RECEIVED
JUL 06 2010
Adam H. Putnam, M.C.
District Office

Privacy Authorization Form
Congressman Adam H. Putnam

Name: Trenton Perkins

Physical Address: 1014 So. Tower Lake
Perkins Enterprises Inc.

Mailing Address: PO Box 427
Lake Wales Fl. 33859

Home Phone: (b) (6) [redacted]

Work Phone:

E-Mail Address: (b) (6) [redacted]

☐ Check if you are interested in receiving periodic e-mail updates from Congressman Putnam.

Social Security #:

Date of Birth:

Other:

I authorize Congressman Adam H. Putnam and his staff to contact appropriate agencies on my behalf. This is to comply with the Privacy Act of 1974, which provides that as of September 27, 1975, disclosures of information of a personal or confidential nature will no longer be permitted to third parties without the written consent of the individual involved.

Trenton Perkins — Signature

7-6-10 — Date

Please Return To:
Congressman Adam H. Putnam
650 East Davidson Street
Bartow, Florida 33830
Toll Free: 866/534-3530
Phone: 863/534-3530
Fax: 863/534-3559
www.adamputnam.house.gov

Please explain your problem on the back of this form.

Explain your problem:

Congressman Adam H. Putnam

Would you contact the Federal E.P.A. to check on the status of information submitted re: Polygyme.

Mr Perkins states he applied for a permit through Fl Dept of + Environmental Protection + was approved, however he has not heard anything Regarding his ap. to the US EPA.

Caseworker: _____ Date: _____

Florida Department of Environmental Protection

Bob Martinez Center
2600 Blair Stone Road
Tallahassee, Florida 32399-2400

Charlie Crist
Governor

Jeff Kottkamp
Lt. Governor

Michael W. Sole
Secretary

May 19, 2009

Trenton D. Perkins
Perkins Enterprises
P.O. Box 427
Lake Wales, Florida 33859

Re: Polyzyme 2000

Dear Mr. Perkins:

The Bureau of Petroleum Storage Systems hereby accepts Polyzyme 2000 for the encapsulation of petroleum and other suitable hydrocarbons. As the information you provided indicates, Polyzyme 2000 is a polymer/enzyme that encapsulates liquid petroleum, in quantities up to 5 times its own weight, and then cures to form a floating rubber-like mat that can easily be removed and handled. Additional information is provided in Enclosure 1. This letter supersedes the original May 7, 2009 acceptance, in order to clarify Polyzyme 2000 is capable of encapsulating not just petroleum but other suitable hydrocarbons as well.

This acceptance is applicable to the regulatory jurisdiction of the Bureau of Petroleum Storage Systems, which is the cleanup of petroleum contaminants in groundwater and soil, typically from leaking underground storage tanks, pursuant to Chapter 62-770, Florida Administrative Code (F.A.C.). For applications that are not within our jurisdiction, it is possible that other Bureaus within the Florida Department of Environmental Protection, or other state agencies, may honor this acceptance if it meets their needs and regulatory requirements. The Bureau of Petroleum Storage Systems, however, is not responsible for applications beyond its jurisdiction. For the use of absorbents to recover free petroleum product as an Interim Source Removal in accordance with Rule 62-770.300(1)(b)1, F.A.C., it is not necessary to obtain prior approval from the Florida Department of Environmental Protection or one of its contracted local programs.

Additionally, for Remedial Action pursuant to Section 62-770.700, F.A.C., there is no requirement that a remediation product or process first obtain an acceptance letter of this type in order to be proposed in a site-specific remediation plan. The Remedial Action Plan, however, must contain sufficient information to show that the product or process meets all applicable and appropriate regulations.

While the Bureau of Petroleum Storage Systems does not endorse specific or brand name remediation products or processes, it does recognize the need to determine their acceptability from an environmental standpoint with respect to applicable rules and regulations, and the interests of public health and safety. Vendors must then market the products and processes on their own merit regarding performance, cost and safety in comparison to competing alternatives in the marketplace. In no way, however, shall this regulatory acceptance letter be construed as certification of product performance.

The Bureau reserves the right to revoke its acceptance of a remediation product or process if it has been falsely represented. Additionally, Bureau acceptance of any product or process does not imply it has been deemed applicable for all cleanup situations, or that it is preferred over other treatment or cleanup techniques in any particular case. A site-specific evaluation of applicability and cost-effectiveness must be considered for any product or process, whether conventional or innovative, and adequate site-specific design details must be provided in a Remedial Action Plan proposing the product or process. Copies of this letter can be made, provided each copy is of the letter in its entirety, including Enclosure 1. You may contact me at (850) 877-1133, extension 3722 if there are any questions.

Sincerely,

Rick Ruscito

Rick Ruscito, P.E.
Ecology and Environment, Inc.
Bureau of Petroleum Storage Systems
Petroleum Cleanup Section 6

Rebecca St Lockenbach
FDEP Section Leader
Bureau of Petroleum Storage Systems
Petroleum Cleanup Section 6

Enclosure: (1) Additional Information

c: Tom Conrardy - PCS3, Tallahassee

ppl #372
inn_168.doc
5/7/09

ppl #377
inn_168_a.doc
5/19/09

Perkins Enterprises

POLYZYME 2000
POLYMER & ENZYME SYSTEM

It is the user's responsibility to determine conditions for use of this product and to assume liability for loss, injury damage or expense resulting from improper use.

PRECAUTIONS: *Do not ingest internally. Avoid skin contact. Wear rubber gloves when using this product. Wash thoroughly after handling.*

For Manufacturing Use Only
To Be Used As Directed

FIRST AID:

1. Inhalation: Move subject to fresh air

2. Eye Contact: Flush thoroughly with water for 15 minutes

3 Ingestion: Drink large quantities of water

4. Skin Contact: Wash affected area thoroughly with soap & water

STORAGE: *Store in a cool, dry place. Avoid contact with strong acids*

HAZARD RATINGS:

Health:	1
Fire:	0
Reactivity	0

** CERTIFIED SALMONELL-FREE*
** CERTIFIED E.COLI-FREE*

Polyzyme-2000
Accepted by Florida
Department of
Evironmental Protection

NET CONTENTS: POUNDS

KEEP OUT OF REACH OF CHILDREN

PERKINS ENTERPRISES, P.O. BOX 427, LAKE WALES, FL 33859

Perkins Enterprises,Inc.

Women Business Enterprise

Bobbie Perkins
President

Kim Perkins
Secretary,Treasurer

POLYZYME 2000

PRODUCT OVERVIEW

Polyzyme 2000 is used to immobilize petroleum and related liquid material to a recoverable solid, with minimal overall volumetric increase. Upon use, ***Polyzyme 2000*** forms a gel appearance, and upon saturation, produces a cohesive mat, of rubber-like material. As a result of this micro-encapsulation effect, the product converts the original liquid material into a non-leachable solid. ***Polyzyme 2000*** is insoluble in water and resistant to a number of acid and alkali aqueous solutions. ***Polyzyme 2000*** is non-hazardous, non-toxic, and non-corrosive.

When ***Polyzyme 2000*** is in contact with specific organic materials such as gasoline, diesel fuel, cride oil and the like, it allows the liquid organic material to "sorb" or diffuse into the structure. After the material has reached its capacity for organic uptake, it will cure in a relatively short time. This allows for the transformation of the liquid organic stream into a more easily handled solid form and the formation of a "waste product" is eliminated. Thus, allowing the used material, if acceptable via TCLP and other EPA State testing procedures, to become an intermediate for introduction into another downstream process.

The primary function of ***Polyzyme 2000*** in water spills, is to immobilize the petroleum-based material on fresh or salt water. This immobilization can occur as a result of a "confined" product application, where the material is used via the form of a boom, pillow, pad or other general shape. The material can also easily be applied in its "free-form" directly to the spill, either manually or with mechanically assisted devices. Other current technologies which involve the removal of the actual spilled material are relatively time sensitive. In certain types of crude oil spills, as the volatile fraction dissipates, the spill begins to form an emulsion with water. As the specific gravity increases, the spill sinks into the water below the surface making recovery much more difficult and increasing the risk of further environmental dedgradation. If this has begun prior to application of ***Polyzyme 2000*** introduction, the material can be introduced below the surface level of the spill and as it rises to the surface, it will pass through the emulsified waste and "float" it to the surface in an encapsulated form.

Polyzyme 2000 is ideal for immobilization of petroleum product spills on hard surfaces such as concrete floors in industrial and commercial settings, highways, parking lots, and the like. An effective method for handling hard surface, land-based spills is to dike the perimeter of the spill to prevent further migration. The opportunity then exists to reclaim spilled material. If desired, full immobilization can be achieved by spreading ***Polyzyme 2000*** over the diked material to form a solid, rubber-like mat. The treated material then can be recovered with a broom, shovel, or other suitable method, and packaged for disposal.

Experimental data indicates that the used ***Polyzyme 2000*** material, typically renders the recovered solvent less toxic, from a TCLP perspective versus the orginal, spilled, organic material. Experiments indicate that spent ***Polyzyme 2000*** resulting from fuel oil recovery, has a BTU value content in excess of 19,000 BTU's per pound of spent material. The Ash content of the incenerated material was found to be less than 0.2%. This is an ideal scenario from a resource conservation standpoint.

Typical organic materials, which are amenable to treatment by ***Polyzyme 2000*** include the following:

Jet Fuel	***Seal Oil***	***Diesel Fuel***	***Lacquer Thinner***
Cutting Oils	***Toluene***	***Xylene***	***Gasoline***
Motor Oil	***Oil Base Paints***	***Methylethyl Ketone***	***Transmission Oil***
Transmissioin Fluid	***Solvent Base Paints***		

PO Box 427, Lake Wales, FL 33859-0427
E-mail: PerkinsEntp@MPInet.net
Phone: 863 676-5393 Fax: 863 678-9701
WWW.PerkinsEnterprises.com

Lrhd K&B.wps

Perkins Enterprises,Inc.

Women Business Enterprise

Bobbie Perkins
President

Kim Perkins
Secretary,Treasurer

POLYZYME 2000
PRODUCT BULLETIN

POLYZYME 2000 ***is a Proprietary Complex Polymer System Designed For Use With Any Hydrocarbon Based Waste. Its Unique Blend Of Polymers Turn Liquid Hydrocarbons (Gas, Fuel & Oil) Spills Into An Easy To Handle Solid, Rubber-Like, Floating "Mat"***

Appearance	White, free flowing powder
Odor	Neutral
pH	Neutral
Effective pH range	5-12
Shelf Life	5 Years

FEATURES

Polyzyme 2000 encapsulates, retains, binds and immobilizes any hydrocarbon based spills within minutes.

Polyzyme 2000 prevents further migration of the hydrocarbon spill, whether it be on land or fresh/salt water.

Polyzyme 2000 is easy to use, easy to gather & is able to remove hydrocarbon spills without rubber boots, gloves or aprons.

Polyzyme 2000 reduces manpower & equipment requirements by allowing hydrocarbon spills to be handled quickly & efficiently with no wastage.

Polyzyme 2000 forms a floating, non-leachable, solid, rubber-like mat which can then be lifted scraped or swept from any surface (solid or liquid).

Polyzyme 2000 is non-toxic.

Polyzyme 2000 is non-hazardous.

Polyzyme 2000 is non-corrosive.

Polyzyme 2000 encapsulates 5X its weight.

Polyzyme 2000 is formulated with Health, Safety & the Environment in mind.

PO Box 427, Lake Wales, FL 33859-0427
E-mail: PerkinsEntp@MPInet.net

Phone: 863 676-5393 Fax: 863 678-9701
WWW.PerkinsEnterprises.com

Lrhd K&B wpc

Perkins Enterprises,Inc.

Women Business Enterprise

Bobbie Perkins
President

Kim Perkins
Secretary,Treasurer

POLLUTECH
ENVIROQUATION LIMITED

Rainbow Trout - 96 Hour Pass/Fail Toxicity Test

METHOD: " Reference Method for Determining Acute Lethality of Effluents to Rainbow Trout (EPS [illegible]) - Pollutech Test Method KT-PP-R4.

Test Material

Company			
Sample Type:	Effluent	Source:	Polyzyme 2000
Date Sampled:	not applicable	Date Received:	Dec. 18, 1997
Date Started	Dec. 24, 1997 12:40	Description:	white solid granular material approx. 1-3 mm in size.
Sample #:	556G9701	Sample Collection:	Grab
Transport:	Road	Arrival Temp.:	Not applicable
Storage:	5°C	Collected by:	Client
Container	Polyethylene Zip Loc Bag		

Test Organisms

Species:	Rainbow Trout (Oncorhynchus mykiss)		
Source:	Rainbow Springs Hatchery		
Culture Temp.:	15 ±1 °C	Batch #:	RS112197
Water Source	Dechlorinated City of Sarnia Tap Water		
Life Stage	Fry		
Avg. Weight:	0.74 g	Min: 0.44 g	Max: 1.01 g
Avg. Fork Length:	43.4 mm	Min: 38 mm	Max: 47 mm
Loading Density:	0.37 g/L	Sample Size:	10 fish
Previous 7 Day Holding Mortalities:	0.0%		

PO Box 427, Lake Wales, FL 33859-0427
E-mail: PerkinsEntp@MPInet.net
Phone: 863 676-5393 Fax: 863 678-9701
WWW.PerkinsEnterprises.com

Perkins Enterprises,Inc.

Women Business Enterprise

Bobbie Perkins
President

Kim Perkins
Secretary,Treasurer

POLLUTECH
ENVIROQUATICS LIMITED

Rainbow Trout - 96 Hour Pass/Fail Toxicity Test - Continued

Test Conditions

Sample #:	556G9701	**Source:**	Polyzyme 2000
Volume:	20 L	**Temp.:**	15 ±1 °C
Reps/Conc.:	1	**# Organisms/Rep.:**	10
Pre-aerated	Yes	**Duration of Pre-aeration:**	30 min
Pre-aeration Rate	6.5 ml/min·L^{-1}	**Aeration Rate During Test:**	6.5 ml/min·L^{-1}
Sample Adjustment:	No	**Sample pH Adjustment:**	No

Test Facilities

Testing Laboratory: Pollutech Enviroquatics Ltd., Point Edward, Ontario

Test Performed by K F /T M

Initial Parameters of Effluent

Cond: 164 µmhos **pH:** 7.9 **O_2:** 10.2 mg/L **Temp:** 14.1°C

Test Results

PERCENT MORTALITY

Conc'n	Rep No.	1/4 hr.	½ hr	1 hr.	2 hr.	4 hr.	8 hr.	24 hr.	48 hr.	72 hr.	96 hr.
100 mg/L	1	0	0	0	0	0	0	0	0	0	0
Control	1	0	0	0	0	0	0	0	0	0	0

PO Box 427, Lake Wales, FL 33859-0427
E-mail: PerkinsEntp@MPInet.net
Phone: 863 676-5393 Fax: 863 678-9701
WWW.PerkinsEnterprises.com

Lchd K&B.wps

Perkins Enterprises,Inc.

Women Business Enterprise

Bobbie Perkins
President

Kim Perkins
Secretary,Treasurer

POLLUTECH
ENVIRODUATICS LIMITED

Rainbow Trout - 96 Hour Pass/Fail Toxicity Test - Continued

Test Results

TOXICITY TEST PARAMETERS

Conc'n	Rep. No.	Parameters	0 hr.	24 hr.	48 hr.	72 hr.	96 hr.
100 mg/L	1	pH (units)	7.8				7.3
		O2 (mg/L)	10.2				9.2
		Cond. (umhos)	166				n/r
		Temp. (°C)	14.2				15.0
Control	1	pH (units)	7.8				7.1
		O2 (mg/L)	10.0				8.4
		Cond. (umhos)	169				n/r
		Temp. (°C)	15.3				15.3

n/r = not required

Summary of Test Results

Sample #: 556039701 Source: Polyzyme 2000

Result: Non-Toxic (100% Survival)

Reference Toxicant Results

Type: Phenol Date: 12/19/97

LC50: 8.4 ppm Confidence Limits: not available

Method: Probit Analysis Fish Lot #: RS112197-1

Historic Mean LC50: 9.7 ppm

Historic Lower & Upper Warning Limits: 6.8 ppm, 12.7 ppm

PO Box 427, Lake Wales, FL 33859-0427
E-mail: PerkinsEntp@MPInet.net
Phone: 863 676-5393 Fax: 863 678-9701
WWW.PerkinsEnterprises.com

Lrtbd K&B.wps

POLYZYME 2000

MATERIAL SAFETY DATA SHEET

Perkins Enterprises
P.O. Box 427
Lake Wales, FL 33859

Date: January 20, 2000
For Emergency Call: 863-676-5393

SECTION I IDENTIFICATION

Trade Name:	Polyzyme 2000
Chemical Family:	Polymer/Enzyme Mixture
D.O.T. Hazard Class:	Not Applicable
D.O.T. Label(s):	Not Applicable
D.O.T. Shipping Name:	(N.O.I) Non Hazardous

SECTION II INGREDIENTS

There are no chemicals present in the product at a concentration of 0.1% or greater classified as carcinogenic by IARC, NPTZ, OSHA.

SECTION III PHYSICAL DATA

Form:	Powder
Appearance:	White
Odor:	Neutral
Boiling Point:	N/A
Evaporation Rate:	N/A
Specific Gravity:	1.0-1.25

SECTION IV FIRE AND EXPLOSION HAZARD DATA

Flash Point:	Not Determined
Explosion Characteristics:	N/A
Flammable Limits:	LEL-N/A UEL-N/A
Extinguishing Media:	Water and Foam Are Suitable
Special Fire Fighting Equipment:	Product will not burn unless preheated. Do not enter confined fire space without full Bunker Gear (Helmet with face shield, bunker coat, gloves and rubber boots).

SECTION V REACTIVITY

Stability:	Stable Under Normal Conditions
Hazardous Polymerization:	Will Not Occur
Hazardous Decomposition:	A variety of decomposition products may be present at high processing temperatures. Highly dependent on temperature/environmental conditions
	See special precautions.

SECTION VI HEALTH HAZARD DATA

Ingestion:

First Aid: Induce vomiting. Contact Physician.

Recommended Precautions: Store in safe place. Wear approved respiratory protection.

Inhalation:

First Aid: Asthmatic type response with sensitive individuals may occur. Remove individual to fresh air. Contact Physician.

Recommended Precautions: Use approved respiratory protection. Always wash hands thoroughly after use.

Eye Contact:

First Aid: This material may cause eye irritation. Wash eyes thoroughly. Contact Physician.

Recommended Precautions: Wear approved goggles when handling product.

Skin Contact:

First Aid: Slight redness on hands and forearms. Skin sensitization can develop after repeated and/or prolonged contact with human skin. Contact Physician

Recommended Precautions: Wash material off skin with plenty of soap and water. Wash clothing and footwear before reuse.

SECTION VII SPILL OR LEAK PROCEDURES

Spills: Shovel and sweep up or use industrial vacuum cleaner. Avoid generating dust clouds. Put into containers for reclaiming or disposal.

Disposal: Check local and state authority requirements for disposal of large quantities.

SECTION VIII SPECIAL PROTECTION INFORMATION

Respiratory Protection: MSHA-NIOSH approved
Protective Clothing: None Required
Eye Protection: Chemical type face shield is recommended
Other Protection: Eyewash station in work area. Avoid creating aerosol. Keep out of reach of Children

SECTION VIII SPECIAL PRECAUTIONS

Do not let product accumulate in the processing area. In processing do not allow the temperature to exceed 350F and maintain a fire watch at that temperature. Avoid vapors from heated products. Adequate ventilation and/or engineering controls must be employed in high temperature processing to prevent exposure to potentially irritating toxic fumes.

ENCLOSURE 1

ADDITIONAL INFORMATION

1. Description: The Material Safety Data Sheet for Polyzyme 2000 indicates that it is a white polymer/enzyme powder.

2. Toxicity testing: Perkins Enterprises provided to the Bureau of Petroleum Storage Systems the results of a 96-hour toxicity test performed on rainbow trout fry, with Polyzyme 2000 at a concentration of 100 milligrams per liter. The survival rate was 100%. The test was conducted by Pollutech Enviroquatics Ltd, Point Edward, Ontario.

3. Disposal of spent media: The onus shall be on the user to prevent pollution of air, water and soil by properly disposing of spent Polyzyme 2000 media, taking into account the hazards of the fluid that it was used to recover. For disposal of spent Polyzyme 2000 used for fuel oil recovery, via incineration, Perkins Enterprises indicates that the heating value is approximately 19,000 BTUs per pound.

   As for disposal via landfill, spent Polyzyme 2000 that has recovered used oil as a result of spills or accidental releases can be disposed at a permitted, lined Class I or Class II landfill per Solid Waste Management Facilities Rule 62-701.300(11)(b), F.A.C. Like petroleum-contaminated soil that is disposed at such lined landfills in accordance with Rule 62-701.520(4), F.A.C., the spent Polyzyme 2000 that is laden with encapsulated liquid must not be classifiable as a hazardous waste due to ignitability, corrosivity, reactivity and toxicity. See Chapter 62-730, F.A.C., Hazardous Waste, for additional information about hazardous waste classifications.

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Congress of the United States
House of Representatives
Washington, DC 20515

Fax Transmission

TO: EPA Congressional

FROM:

Washington Office
- ☐ Charles Cooper
- ☐ Brooke McKnight
- ☐ Karen Williams
- ☐ Kristene Henkelman
- ☐ Ashley Fishburn
- ☐ J.R. Smith
- ☐ J.D. Hooker
- ☐ Johnny Craig
- ☐

District Office
- ☐ Cheryl Flood
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- ☐ Keith Rupp
- ☑ Amy Topol – Phone - 863/534-3530 amy.topol@mail.house.gov
- ☐ Kelly White
- ☐ Anne Bell
- ☐ Taunia Sebright

Fax: 202/501-1519 **Pages:** 15

Phone: **Date:** 7-14-10

Re: **CC:**

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Congress of the United States
Washington, DC 20515

August 2, 2010

The Honorable Lisa Jackson
Administrator
United States Environmental Protection Agency
1200 Pennsylvania Avenue, NW
Washington, DC 20460

Dear Administrator Jackson,

As you know, the Environmental Protection Agency (EPA) has issued a proposed rule establishing federal numeric nutrient criteria for Florida water bodies. In accordance with a consent decree EPA entered into with several litigants, EPA committed to issue a final rule for Florida lakes and streams by October 2010 and for Florida canals, coastal waters, and estuaries by August 2012.

EPA's numeric nutrient criteria rulemaking will impact all Florida citizens, local governments, and vital sectors of Florida's economy, including agriculture. It is thus imperative that EPA ensure that its federal criteria are based on sound scientific rationale; necessary to protect the applicable designated uses of Florida waters; and reflective of the range of natural variability associated with state waters.

To that end, we applaud EPA's decision to delay finalization of criteria for Florida's canals, coastal waters, and estuaries to August 2012 to allow EPA's Science Advisory Board (SAB) to conduct a peer review of EPA's data and methodologies for deriving criteria for these waters. It is our expectation that the SAB's peer review will consider the appropriateness of the numerical limits proposed for canals, estuaries, and coastal waters and analyze whether the proposed criteria are sufficiently based on or correlated with cause and effect relationships between nutrients and biological responses in these Florida waters. Also, because a peer review process is only meaningful if the agency is prepared to be responsive to the comments of independent experts, we expect that EPA will modify its rulemaking in accordance with the SAB's analysis and recommendations.

In addition to reviewing the proposed criteria for Florida's canals, estuaries, and coastal waters, we strongly urge that EPA extend the scope of its SAB peer review to include examination of the proposed numeric nutrient criteria and underlying derivation methodologies for Florida's rivers, streams, and lakes. We believe that the SAB peer review process is important, and it should apply to all of the criteria to be imposed in Florida, not just criteria for canals, coastal waters, and estuaries. We strongly urge that EPA delay requirements to implement its proposed streams and lakes criteria until the peer review concludes, and EPA should adjust its rulemaking in accordance with the peer review analysis and recommendations.

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Lastly, we strongly urge that EPA provide for an independent analysis to assess the economic impact of the proposed rule on Florida and adjoining states. The assessments should consider economic information submitted by Florida governmental entities and the public in EPA's rulemaking process; compare the proposed rule to current law in Florida; and account for the potential need to retrofit pollutant reduction measures taken in response to TMDLs and estuary programs for nutrients in Florida.

Again, EPA's unprecedented nutrient criteria rulemaking appears poised to impose substantial regulatory and economic consequences on Floridians. We ask that prior to deciding whether to implement numeric nutrient criteria, you ensure that all aspects of EPA's rulemaking are based on a sound scientific rationale and that the costs and potential unintended consequences associated with the rule are well understood.

Sincerely,

ADAM H. PUTNAM
Member of Congress

TOM ROONEY
Member of Congress

GEORGE LEMIEUX
United States Senator

JEFF MILLER
Member of Congress

ALLEN BOYD
Member of Congress

CORRINE BROWN
Member of Congress

ANDER CRENSHAW
Member of Congress

GINNY BROWN-WAITE
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ADAM H. PUTNAM
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www.adamputnam.house.gov

Congress of the United States
House of Representatives

Fax Transmission

TO: Hon. Lisa Jackson

FROM:

Washington Office — District Office

☒ Honorable Adam Putnam

- ☐ Charles Cooper
- ☐ Karen Williams
- ☐ Brooke McKnight
- ☐ JD Hooker
- ☐ Kristene Blake
- ☐ JR Smith
- ☐ Kate Dunbar
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- ☐ Taunia Sebright
- ☐ Kelly White

Fax: (202) 501-1519 **Pages:** (including cover) 4

Phone: (202) 564-5200 **Date:** 8/2/10

Re: Numeric Nutrient Criteria (FL) CC:

☐ Urgent ☐ For Review ☐ Please Comment ☐ Please Reply

ADAM H. PUTNAM
12TH DISTRICT, FLORIDA

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Congress of the United States
House of Representatives

July 30, 2010

Ms. Joyce K. Frank
Associate Administrator
Environmental Protection Agency
Congressional and Intergovernmental Relations
1200 Pennsylvania Ave NW Room 3442 N
Ariel Rios Building
Washington, D.C. 20460-0001

Dear Sir/Madam:

Enclosed is information received from my constituent, Mrs. Pat Cook. Mrs. Cook is seeking clarification regarding her liability as an innocent landowner of the Raleigh Street dump site.

Any assistance your office can provide to Mrs. Cook would be greatly appreciated. Please keep me advised by sending a reply to my district office at 650 East Davidson Street, Bartow, Florida 33830.

Thank you for your assistance.

May God bless America.

Sincerely,

Adam H. Putnam

Adam Putnam
Member of Congress

AHP/at

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Privacy Authorization Form
Congressman Adam H. Putnam

Name: Stephen J. Cook / Patricia J. Cook

Physical Address: (b) (6) [redacted]

Brandon, FL (b) (6) [redacted]

Mailing Address: Same as above

Home Phone: (b) (6) [redacted]

Work Phone: (b) (6) [redacted] (cell)

E-Mail Address: (b) (6) [redacted]

☑ Check if you are interested in receiving periodic e-mail updates from Congressman Putnam.

Social Security #: (b) (6) [redacted] / (b) (6) [redacted]

Date of Birth: (b) (6) [redacted] (b) [redacted] (b) (6) [redacted]

Other:

I authorize Congressman Adam H. Putnam and his staff to contact appropriate agencies on my behalf. This is to comply with the Privacy Act of 1974, which provides that as of September 27, 1975, disclosures of information of a personal or confidential nature will no longer be permitted to third parties without the written consent of the individual involved.

Stephen J. Cook / Patricia J. Cook — 12/23/09

Signature — Date

Please Return To:
Congressman Adam H. Putnam
650 East Davidson Street
Bartow, Florida 33830
Toll Free: 866/534-3530
Phone: 863/534-3530
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www.adamputnam.house.gov

Please explain your problem on the back of this form.

Good Morning, Amy!

This has taken some time, but I do need to get back with you. I do have some questions.

First off, having finally had an opportunity to read this document, I need to ask for clarification between a simple "Third Party Defense" as put forth in CERCLA section 9607 (b) and the "Innocent Landowners" defense as put forth in CERCLA 101 (35)(B)

This makes a difference because CERCLA 9607 was in effect when we purchased our property in 1985, but 101 was not in effect until 1986.

Again, we have turned to Congressman Putnam's office as his constituents.
We **are not the perpetrators** of this contamination,
We **did not allow** the contamination,
We **did not own the property** when it was being contaminated,
We **had no knowledge** of the contamination
We **did not purchase** the property from the parties who perpetrated or allowed the contamination.

From the time we moved onto the property and for the entire time we have owned the property, we **have been in full compliance** with the requirements regarding contaminated property even when we were unaware that the property was contaminated!

I'm not sure of all of the legalities involved here, but I do believe that issues like this are about what is *right*. And it is *not right* to charge an individual or penalize a landowner for something they *didn't do*!! Please correct me if I'm wrong, but that's just not how our system is supposed to work. We have always believed that our laws are set up to *protect* the innocent. This statute should be no exception.

I do apologize if I've shown my frustration here, but I am a bit frazzled over this.

Please let me know what you discover.

Thank you!
Pat

RALEIGH STREET DUMP SITE FACT SHEET

RE: Liability Issue for
Stephen J Cook and Patricia J Cook

Please consider the following facts in evaluating our liability for cleanup costs at this Site.

1) As is evidenced in the time line, we did not perpetrate or allow the contamination of this Site

2) We did not own the property during the time it was being used as a dumpsite.

3) We did not have any kind of contractual agreement with any person or party who did perpetrate or allow the contamination.

4) We were unaware of the contamination when we purchased the property, but did take precautions for possible illegal dumping by repairing and replacing portions of the fence, installing a gate with a lock at the entrance of the property, and, for a time, (1981-1987) keeping guard dogs on the property.

5) There was no dumping of any kind on the property after we moved onto the property in 1981. Periodically items such as furniture, bedding, boxes and garbage were dumped along the side of the road near the Property. We cleaned up such items and properly disposed of them. Nothing was ever dumped inside the fenced area.

6) After acquiring this property, the following were performed:
   - 1994 - Phase II Site Inspection
   - 1996 - Phase I Environmental Site Assessment
   - 2001 – Phase I Environmental Site Assessment

7) The EPA did not report findings of lead, arsenic, and antimony in background soil to us until 1994. These areas were left undisturbed until the EPA came to definite conclusions and recommendations.

8) With regards to Statutory Authority:

- CERCLA Section 9607 was in effect when we purchased our property in 1982 and 1985.
- We have met the requirements stated in 9607 (b), which states that "there shall be no liability…for a person otherwise liable who can establish" that the damage was caused by a third party.
- The EPA is using amendment 101 (35) as basis for our liability.
- However, 101(35), which required "all appropriate inquiries" by a purchaser prior to purchasing property in order to qualify for status as "innocent landowner" and escape liability for cleanup was not in effect.
- 101(35) was an amendment that was made in 1986 – a year after we purchased our last piece of property at the Site
- Amendment 101(35) does apply to us – but not until after we had learned of the contamination - in that we are required to take all necessary precautions to prevent future release and exposure, which we did.
- Again, our basis is "third party defense" not "innocent landowner".

9) We have been in complete compliance - even when we were unaware of the contamination, and most certainly after we knew of it.

Fact Sheet Time Line Information

RE: Raleigh Street Dump Site (RSDS)
Site of Battery Casing Disposal

September 1980

- RSDS initially discovered by EPA during an investigation of Chloride Metals Inc.
- A Chloride representative admitted to EPA that Chloride disposed of battery casings on the Site, but that all disposal at the Site ceased in November 1978.
- Mr. John Manfrin, owner of the Site property from June 1976-June 1979, gave Chloride Metals permission to dump on the property for the purpose of obtaining fill material for low areas of the property.

1994

- FDEP initiated a CERCLA site inspection and found contamination of soil and groundwater on the property consistent with 1980 findings

1996

- We performed a Phase I Environmental Site Assessment. Concluding documents stated that, "Due to the ongoing FDEP CERCLA investigation of the site, a Phase II investigation is not warranted at this time."

1998

- EPA requested and was granted full access to conduct a site inspection, and found soil and groundwater contamination consistent with 1980 and 1994 findings

March 2001

- EPA was granted full access to perform environmental investigation, and began conducting Phase I of their remedial investigation.

April 2002

- Chloride's successor, Exide Technologies, filed Chapter 11 bankruptcy

August 2002

- EPA began performing Phase II of their remedial investigation

August 2003

- Deadline for filing claims against Exide with the bankruptcy court

February 2004

- EPA sent Stephen and Patricia Cook a General Notice Letter notifying of potential liability as a PRPs at the Site

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 4
ATLANTA FEDERAL CENTER
61 FORSYTH STREET
ATLANTA, GEORGIA 30303-8960

NOV 0 9 2009

SPECIAL NOTICE LETTER
URGENT LEGAL MATTER
PROMPT REPLY NECESSARY
FEDERAL EXPRESS – OVERNIGHT

Stephen J. and Patricia J. Cook
610 Centerbrook Drive
Brandon, FL 33511

Re: Special Notice Letter for the Raleigh Street Dump Superfund Site, Tampa, Hillsborough County, Florida

Dear Mr. and Mrs. Cook:

This letter follows the general notice and demand letter that the U.S. Environmental Protection Agency (EPA) sent to you on February 3, 2004, in connection with the Raleigh Street Dump Superfund Site (the Site), located in Tampa, Hillsborough County, Florida. In that letter, EPA notified you of your potential responsibility under Section 107(a) of the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA or Superfund), 42 U.S.C. § 9607(a), for the cleanup of the Site, including all costs incurred by the EPA in responding to releases at the Site. EPA is now contacting you in an attempt to resolve your responsibility at the Site.

Background

Based on an extensive review of records related to the release and/or disposal of hazardous substances at the Site, EPA identified you as two of approximately three potentially responsible parties (PRPs) liable as current owners of property comprising the Site. Under the federal Superfund law, you and the other PRPs at the Site are responsible for the costs of cleaning up the Site. EPA has selected a cleanup approach (formally known as a remedial action) for the Site, which is described in a document called a Record of Decision (ROD), which was issued by EPA on June 30, 2009.

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Congress of the United States
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Washington, DC 20515

Fax Transmission

TO: EPA Cong Affairs

FROM:

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- ☐ Charles Cooper
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- ☐ Karen Williams
- ☐ Kristene Henkelman
- ☐ Ashley Fishburn
- ☐ J.R. Smith
- ☐ J.D. Hooker
- ☐ Johnny Craig
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District Office
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- ☑ Amy Topol – Phone - 863/534-3530 amy.topol@mail.house.gov
- ☐ Kelly White
- ☐ Anne Bell
- ☐ Taunia Sebright

Fax: 201-501-1519 **Pages:** 8

Phone: **Date:** 8-2-10

Re: Cook **CC:**

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Congress of the United States
Washington, DC 20515

August 2, 2010

Administrator Lisa Jackson
Environmental Protection Agency
1200 Pennsylvania Avenue
Washington, DC 20460-3300

Dear Administrator Jackson:

We are writing to express our concern about the proposed Boiler MACT rule – the Maximum Achievable Control Technology rule for industrial, commercial and institutional boilers and process heaters -- that was published on June 4th. As our nation struggles to recover from the current recession, we are deeply concerned that the potential impact of pending Clean Air Act regulations could be unsustainable for U.S. manufacturing and the high-paying jobs it provides. As the national unemployment rate hovers around 10 percent, and federal, state, and municipal finances are in dire straits, hundreds of thousands of manufacturing workers have lost their jobs in the past year alone. The flow of capital for new investment and hiring is still seriously restricted, and could make or break the viability of continued operations. Both small and large businesses are vulnerable to extremely costly regulatory burdens, as well as municipalities, universities, federal facilities, and commercial entities. While we support efforts to address serious health threats from air emissions, we also believe that regulations can be crafted in a balanced way that sustains both the environment and jobs.

We understand that the Boiler MACT rule alone could impose tens of billions of dollars in capital costs at thousands of facilities across the country. Thus, we appreciate your willingness, as expressed in your responses to other recent Congressional letters, to consider flexible approaches that appropriately address the diversity of boilers, operations, sectors, and fuels that could prevent severe job losses and billions of dollars in unnecessary regulatory costs. The proposal asks for comment on an approach that would allow facilities to demonstrate that emissions of certain pollutants do not pose a public health threat. The discussion concludes that the use of the authority under section 112(d)(4) is discretionary and the Agency does not support its use in Boiler MACT. We believe that provision reflects Congress' intent to provide for flexibility where there is not a public health threat. In such cases, it makes sense to allow that approach in the final rule for threshold substances such as hydrogen chloride and manganese. In addition, EPA should use a method to set emissions standards that is based on what real world best performing units actually can achieve. EPA should not ignore biases in its emissions database, the practical capabilities of controls or the variability in operations, fuels and testing performance across the many regulated sectors.

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As EPA turns to developing a final Boiler MACT rule, we hope you will carefully consider sustainable approaches that protect the environment and public health while fostering economic recovery and jobs within the bounds of the law. Thank you for your consideration of these views.

Sincerely,

Walt Minnick
Member of Congress

Robert B. Aderholt
Member of Congress

G.K. Butterfield
Member of Congress

John Shimkus
Member of Congress

Tim Murphy

Eric Cantor

Walter B. Jones

Alcee L. Hastings

Ed Whitfield

Tim Holden

Jason Altmire

Todd R. Platts

Ralph M. Hall

Jim Matheson

Scott Murphy

Mike Rogers (MI-8)

Bob Bishop

Wally Herger

Glenn GT Thompson

Bill Shuster

Artur Davis

John Barrow

[illegible]

Patrick Tiberi

[illegible]

Sue Myrick

Kenny Marchant

Kevin Brady

Phil Gingrey

Andrea Blackburn

Candice S. Miller

Gregg Harper

[illegible]

Rodney Alexander

LA-03

John Boehner

Cynthia M. Lummis

Geo Chaffee

John Fleming

Geoff Davis

[illegible]

Bob Latta

Bobby Bright

[illegible]

Steve Kagen MD

[illegible]

John Spratt

Kurt Schrader

Leonard L. Boswell

Virginia Foxx

[illegible]

[illegible]

Bob Elder

Michael H. Michaud

Joe Donnelly

Rick Boucher

Bart Stupak

Spencer Bachus

Bob Goodlatte

Jo Bonner

Jim Oberstar

Marion Berry

Tim Petri

Bill Owens

Denny Rehberg

Pete Olson

Howard Coble

Mike McIntyre

Fred Upton

cc: Regina McCarthy, Environmental Protection Agency
Robert Perciasepe, Environmental Protection Agency
Robert Sussman, Environmental Protection Agency
Cass Sunstein, Office of Management and Budget
Lawrence Summers, National Economic Council

Congressman Walt Minnick

1517 Longworth House Office Bldg.

Washington, DC 20515

(202) 225-6611

(202) 225-3029 Fax

To: Administrator Lisa Jackson

Fax #: 202-501-1519

CC: _____

From: Congressman Minnick

Re: _____

Date: 7/03/2010 Total # of Pages: 8

Comments:

Congress of the United States
Washington, DC 20515

September 27, 2010

The Honorable Lisa Jackson
Administrator
U.S. Environmental Protection Agency
1200 Pennsylvania Ave., NW
Washington, DC 20460

Dear Administrator Jackson:

We write to convey our continued concerns regarding the U.S. Environmental Protection Agency's (EPA) latest actions in its review of the National Ambient Air Quality Standards (NAAQS) for particulate matter (PM). The Second Draft Policy Assessment (PA) for PM released on July 8, 2010 in the Federal Register lays the foundation for establishing the most stringent and unparalleled regulation of dust in our nation's history. We urge the EPA to refrain from going down this path.

Scientific studies are at best ambiguous in support of tightening the existing coarse PM standard. According to the PA, the science would justify leaving the standard as it is, in terms of public health. It is also critical to maintain the current standard for economic sustainability. A coarse PM NAAQS of 65-85 $\mu g/m^3$ would be approximately twice as stringent as the current standard and would require the designation of many more non-attainment areas than currently exist, particularly in rural areas. The current standards have been very difficult and expensive for industries in the Western part of the country to attain, including agricultural and other resource-based industries. The possibility of those same industries having to meet a standard that is twice as stringent causes us great concern, especially when a revision is not required by science.

In addition, contrary to EPA's assertion, a dust standard in the range of 65-85 $\mu g/m^3$ with a 98th percentile form is not equal to the current standard of 150 $\mu g/m^3$ with a 99th percentile form in arid rural areas of the United States. In fact, it appears that such a standard would target rural areas. Considering the Administration's claim that it is focusing on revitalizing rural America and rural economic development, a proposal such as this would have a significant negative impact on those very goals.

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While we respect efforts for a clean and healthy environment, scientific studies do not support the need for revising the dust standard. We are hopeful that common sense will prevail and the EPA will refrain from causing extreme hardship to farmers, livestock producers, and other resource-based industries throughout rural America. Whether it is livestock kicking up dust, corn being combined, or a pickup driving down a gravel road, dust is a naturally-occurring event in rural areas. Common sense requires the EPA to acknowledge that the wind blows dust around in these areas, and that is a fact of life.

Sincerely,

Bill Shuster

Joe Wilson

Marsha Blackburn

[illegible]

K Markant

Sue Myrick

Adam H. Putnam

Doug Lamborn

John Shadegg

Joseph R. Pitts

[illegible]

[illegible]

[illegible]

KY-2

[illegible]

Jim Jordan

Harry Teague

Steve Chabot

Steve King

Blaine Luetkemeyer

Lynn A. Westmoreland

Tim Johnson

John Kline

Bobby Bright

Betsy Markey

Mary Fallin

Robert B. Aderholt

John Sparks

[illegible]

Leonard L. Boswell

Robert E. Latta

Jeff Fortenberry

G. Giffards

Yvette Kirkpatrick

Joe Barton

Don Young

Mac Thornberry

Walt Minnick

K Mick Long

[illegible]

Jerry Moran

John J Duncan Jr

Roy Blunt

Bob Goodlatte

Doug Walden

Jack Kingston

Mike Sipper

Walter B. Jones

Steve Terry

Sanford D. Bishop Jr

Mike McIntyre

Glenn Emerson

Todd Tiahrt

[illegible] IL-19

Sam Coll

Ron Paul

Adrian Smith

Randy Neugebauer

Howard Coble

Ed Whitfield

Jeff Flake

John Shimkus

Wally Herger

Mike Coffman

Rep. Cynthia M. Lummis
Rep. Frank Lucas
Rep. Michele Bachmann
Rep. Todd Akin
Rep. Phil Gingrey
Rep. Rob Bishop
Rep. Bill Posey
Rep. Lynn Jenkins
Rep. Stephanie Herseth Sandlin
Rep. Paul C. Broun
Rep. Mike Rogers (AL)
Rep. Kevin Brady
Rep. Bill Shuster
Rep. Joe Wilson
Rep. Marsha Blackburn
Rep. Dan Boren
Rep. Kenny Marchant
Rep. Sue Myrick
Rep. Adam Putnam
Rep. Doug Lamborn
Rep. John Shadegg
Rep. Joseph R. Pitts
Rep. John Carter
Rep. Tom McClintock
Rep. Aaron Schock
Rep. Brett Guthrie
Rep. Jim Jordan
Rep. Harry Teague
Rep. Jason Chaffetz
Rep. Steve King
Rep. Blaine Luetkemeyer
Rep. Lynn A. Westmoreland
Rep. Timothy V. Johnson
Rep. John Kline
Rep. Bobby Bright
Rep. Betsy Markey
Rep. Mary Fallin
Rep. Robert Aderholt
Rep. John Spratt
Rep. Sam Graves
Rep. Leonard Boswell
Rep. Robert E. Latta
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Rep. Walter B. Jones
Rep. Lee Terry
Rep. Sanford D. Bishop
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Rep. Jo Ann Emerson
Rep. Todd Tiahrt
Rep. John Shimkus
Rep. Tom Cole
Rep. Ron Paul
Rep. Adrian Smith
Rep. Randy Neugebauer
Rep. Howard Coble
Rep. Ed Whitfield
Rep. Jeb Hensarling
Rep. John Sullivan
Rep. Wally Herger
Rep. Mike Coffman

Congress of the United States
House of Representatives
Washington, DC 20515

September 22, 2010

Lisa P. Jackson
Administrator, U.S. Environmental Protection Agency
Ariel Rios Bldg., 1200 Pennsylvania Ave., NW
Washington, DC 20460

Dear Administrator Jackson:

As members of the bipartisan Congressional Sportsmen's Caucus, the largest and most active caucus on Capitol Hill, we are writing to urge you to dismiss the petition to ban the use of lead in fishing products. The attached letter from leading hunting, fishing and conservation organizations clearly points out that there is no scientific basis to warrant such a far reaching ban on traditional fishing equipment. A similar proposal to ban lead fishing tackle was dismissed by the EPA in the mid-1990s, because there was insufficient data to support such a ban – there is no additional data to support a ban today.

The American wildlife management model is the best in the world, and one of the pillars of this model is that the states retain the authority to manage most of their fish and wildlife. These state agencies are already monitoring and addressing any of the localized issues surrounding lead, making this draconian ban not only unnecessary, but intrusive. In a letter to you on this very issue dated September 2nd, the Association of Fish and Wildlife Agencies, which represents the collective perspectives of the 50 state fish and wildlife agencies, concludes, "A national ban on lead fishing sinkers is therefore neither necessary nor appropriate."

The President's "America's Great Outdoors" initiative is aimed at reconnecting Americans to the outdoors; fishing is an accessible, fun, family oriented activity that should be embraced and encouraged as part of this initiative. A ban on traditional fishing tackle will drive up costs substantially and serve as a disincentive for more Americans to get outside and enjoy this great pastime.

There are 60 million recreational anglers in America that contribute $125 billion to our economy annually. Penalizing these men, women and children that are the best stewards of our environment, as well as the financial backbone to fish and wildlife conservation in our country, would be a terrible and unnecessary injustice.

We urge you to deny the petition to ban the use of lead in fishing products.

Sincerely,

Rep. Dan Boren

Rep. Paul Ryan

Rep. Jerry Moran

Rep. Jo Bonner

Rep. John Boozman

Rep. Michael K. Simpson

Rep. Donald A. Manzullo

Rep. Gene Taylor

Rep. Virginia Foxx

Rep. Charles A. Wilson

Rep. Christopher P. Carney

Rep. Ciro D. Rodriguez

Rep. Marsha Blackburn

Rep. Charles W. Boustany, Jr.

Rep. Michael T. McCaul

Rep. Jeff Miller

Rep. Bart Stupak

Rep. Howard Coble

Rep. Fred Upton

Rep. Mike Pence

Rep. Steve Scalise

Rep. Harold Rogers

Rep. Adrian Smith

Rep. Robert E. Latta

Rep. Solomon P. Ortiz

Rep. Glenn Thompson

Rep. Steve Austria

Rep. John B. Shadegg

Rep. Sue Wilkins Myrick

Rep. Ed Whitfield

Rep. John A. Boehner

Rep. John Fleming

Rep. Duncan Hunter

Rep. Shelley Moore Capito

Rep. Dean Heller

Rep. Kathleen A. Dahlkemper

Rep. John Sullivan

Rep. John Shimkus

Rep. Tim Murphy

Rep. Roy Blunt

Rep. Don Young

Rep. Candice S. Miller

Rep. Larry Kissell

Rep. Geoff Davis

Rep. Ike Skelton

Rep. Jeb Hensarling

Rep. Adam H. Putnam

Rep. Jason Altmire

Rep. Steven C. LaTourette

Rep. Robert B. Aderholt

Rep. Mac Thornberry

Rep. Walter B. Jones

Rep. Jason Chaffetz

Rep. Ken Calvert

Rep. Baron P. Hill

Rep. Mike McIntyre

Rep. Robert J. Wittman

Rep. Spencer Bachus

Rep. Michele Bachmann

Rep. Peter A. DeFazio

Rep. Thomas E. Petri

Rep. John Kline

Rep. Joe Courtney

Rep. Henry Brown

Rep. Paul C. Broun, M.D.

Rep. Patrick J. Tiberi

Rep. David P. Roe

Rep. Barney Frank

Rep. Dale E. Kildee

Rep. Jeff Fortenberry

Rep. Lynn Jenkins

Rep. K. Michael Conaway

Rep. Cynthia Lummis

Rep. Erik Paulsen

Rep. Tom Graves

Rep. Bob Goodlatte

Rep. Mike Coffman

Rep. Ron Kind

ADAM H. PUTNAM
12TH DISTRICT, FLORIDA

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www.adamputnam.house.gov

Congress of the United States
House of Representatives

September 24, 2010

Ms. Joyce K. Frank
Associate Administrator
Environmental Protection Agency
Congressional and Intergovernmental Relations
1200 Pennsylvania Ave NW Room 3442 N
Ariel Rios Building
Washington, D.C. 20460-0001

Dear Sir/Madam:

Thank you for your pervious response on behalf of my constituent, Mr. Trenton Perkins. In your response, you stated that Mr. Perkins had not provided a sample of his product. Mr. Perkins asked that I inform you that he sent a sample of his product to:

Ms. Leigh DeHaven
NCP Product Schedule Manager
U.S. Environmental Protection Agency
Ariel Rios North Building – 5104 A
Room 6450 EE
Washington, DC 20460

Any assistance your office can provide to Mr. Perkins would be greatly appreciated. Thank you for your continued attention to this matter.

Sincerely,

Adam H. Putnam

Adam Putnam
Member of Congress

AHP/at

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UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

RECEIVED
SEP 13 2010
Adam H. Putnam, M.C.
District Office

SEP 10 2010

OFFICE OF
SOLID WASTE AND
EMERGENCY RESPONSE

The Honorable Adam H. Putnam
U.S. House of Representatives
650 East Davidson Street
Bartow, Florida 33830

Dear Congressman Putman:

Thank you for your letter of July 12, 2010, forwarding information from your constituent Mr. Trent D. Perkins of Lake Wales, Florida, regarding his product Polyzyme 2000.

On July 29, 2010, representatives from my office spoke to Mr. Perkins to clarify the information needed for his submission, as well as to request a revised letter stating the Confidential Business Information for his product, and to request a small sample of the product. My staff advises me that the U.S. Environmental Protection Agency (EPA) has not received the requested information.

Under the National Contingency Plan (NCP), EPA is responsible for maintaining the NCP Product Schedule, the approved list of chemicals and products that can be used in an oil spill response. EPA's website contains specific criteria and instructions for listing a product on the NCP Product Schedule, and can be accessed at *http://www.epa.gov/oem/content/ncp/index.htm*. Once a product is listed on the Product Schedule, the NCP does not mandate the use of that product by the Federal On-Scene Coordinator, state, industry, or any oil spill response organization. Further, such listing does not indicate that EPA endorses, recommends, licenses, certifies, or authorizes use of the product.

Again, thank you for your letter. If you have further questions, please contact me or your staff may call Carolyn Levine, in EPA's Office of Congressional and Intergovernmental Relations, at (202) 564-1859.

Sincerely,

Mathy Stanislaus
Assistant Administrator

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12TH DISTRICT, FLORIDA

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(866) 534-3530
(863) 534-3559 - FAX

Congress of the United States
House of Representatives
Washington, DC 20515

Fax Transmission

TO: EPA Congressional

FROM:

Washington Office
- ☐ Charles Cooper
- ☐ Brooke McKnight
- ☐ Karen Williams
- ☐ Kristene Henkelman
- ☐ Ashley Fishburn
- ☐ J.R. Smith
- ☐ J.D. Hooker
- ☐ Kate Dunbar
- ☐

District Office
- ☐ Cheryl Flood
- ☐ Pam Fuller
- ☐ Josée Duchesneau
- ☐ Keith Rupp
- ☑ Amy Topol – Phone - 863/534-3530 amy.topol@mail.house.gov
- ☐ Kelly White
- ☐ Anne Ball
- ☐ Taunia Sebright

Fax: 202-501-1519 Pages: 3

Phone: Date: 9-28-10

Re: Perkins CC:

☐ Urgent ☐ For Review ☐ Please Comment ☐ Please Reply ☐ Please Recycle

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Controlled Correspondence For
OFFICE OF AIR AND RADIATION

CONTROL NO : AL-0300739

ORIG. DUE DATE: 06/19/2003

FILE CODE: 141-A CONGRESSIONAL CORRESPONDENCE

STATUS: PENDING

CORRES. DATE: 05/30/2003
RECEIVED DATE: 06/09/2003
ASSIGNED DATE: 06/11/2003
CLOSED DATE:

FROM: PUTNAM ADAM-R/FL
ORG: U.S. HOUSE OF REPRESENTATIVES
SALUTATION: DEAR CONGRESSMAN PUTNAM
CONSTITUENT:

TO: ADMINISTRATOR
TO ORG: EPA
SUBJECT: THE UNITED STATES TO TAKE ACTION TO ENSURE THAT A DISCUSSION OF EXTENSION OF THE METHYL BROMIDE PHASE-OUT BE INCLUDED IN THE AGENDA OF THE 2003 MEETING OF THE PARTIES TO THE MONTREAL PROTOCOL

ASSIGNED: OFFICE OF ATMOSPHERIC PROGRAMS

COPIES OF INCOMING PROVIDED TO: OCIR/MICHELE MCKEEVER

SIGNATURE: ADMINISTRATOR
OAR COMMENTS:

Added on: 06/11/2003 From Lillian Davis/DC/USEPA/US -CC: R. BRENNER, ANU

AL INSTRUCTIONS: PREPARE FOR SIGNATURE OF CHRISTINE TODD WHITMAN, ADMINISTRATOR. COPY ONTO A SEPARATE DISK (WP 6.1), SECURE DISK TO PACKAGE AND RETURN TO OCIR (1304A), 4320 ARIEL RIOS, FOR REVIEW, SIGNATURE AND DISPATCHING. DOCUMENT CANNOT BE FORWARDED TO THE ADMINISTRATOR WITHOUT AA'S CONCURRENCE.

THE OCIR FOLLOW-UP CONTACT IS MICHELE MCKEEVER ON 202/564-3688.

OAR INSTRUCTIONS: ; ; PREPARE REPLY FOR THE ADMINISTRATOR'S SIGNATURE.

	Assigned	Date Assigned	Code/Status	Date Completed by Assignee	Date Returned to OAR :
Lead	OAP	06/11/2003		-	-

GAP

EPA

OFFICE OF CONGRESSIONAL AND INTERGOVERNMENTAL RELATIONS
CORRESPONDENCE CONTROL SLIP

6-19

CONTROL NO: AL-0300739 **ORIG. DUE DATE:** ~~06/23/2003~~

FILE CODE: 141-A CONGRESSIONAL CORRESPONDENCE

STATUS: **PENDING**

CORRES. DATE: 05/30/2003
RECEIVED DATE: 06/09/2003
ASSIGNED DATE: 06/09/2003
CLOSED DATE:

FROM: PUTNAM ADAM-R/FL
ORG: **U.S. HOUSE OF REPRESENTATIVES**
SALUTATION: DEAR CONGRESSMAN PUTNAM
CONSTITUENT:
COMMITTEE:

TO: ADMINISTRATOR
TO ORG: EPA
SUBJECT: THE UNITED STATES TO TAKE ACTION TO ENSURE THAT A DISCUSSION OF EXTENSION OF THE METHYL BROMIDE PHASE-OUT BE INCLUDED IN THE AGENDA OF THE 2003 MEETING OF THE PARTIES TO THE MONTREAL PROTOCOL

ASSIGNED: AIR & RADIATION

COPIES OF INCOMING PROVIDED TO: OCIR/MICHELE MCKEEVER

SIGNATURE: **ADMINISTRATOR**
INSTs: PREPARE FOR SIGNATURE OF CHRISTINE TODD WHITMAN, ADMINISTRATOR. COPY ONTO A SEPARATE DISK (WP 6.1), SECURE DISK TO PACKAGE AND RETURN TO OCIR (1304A), 4320 ARIEL RIOS, FOR REVIEW, SIGNATURE AND DISPATCHING. DOCUMENT CANNOT BE FORWARDED TO THE ADMINISTRATOR WITHOUT AA'S CONCURRENCE.

THE OCIR FOLLOW-UP CONTACT IS MICHELE MCKEEVER ON 202/564-3688.

PLEASE PREPARE RESPONSE FOR SIGNATURE (6) SEE LIST ATTACHED

COMMENTS:

IMS: CASSAUNDRA EADES
IMT: **CASSAUNDRA EADES/DC/USEPA/US**

	Assigned	Date Assigned	Code/Status	Date Completed by Assignee	Date Returned to OCIR:
Lead	OAR	06/09/2003	ACTION	-	-

Congress of the United States
Washington, DC 20515

May 30, 2002

The Honorable Christine Todd Whitman
Administrator, Environmental Protection Agency
1200 Pennsylvania Avenue, NW, Room 3000
Ariel Rios Building, NW
Washington, DC 20460

Dear Governor Whitman:

We ask your serious consideration of the enclosed letter from the *Crop Protection Coalition* emphasizing the need for the United States to take action to ensure that a discussion of an extension of the Methyl Bromide phase-out be included in the agenda of the 2003 meeting of the parties to the Montreal Protocol.

It has come to our attention that it is currently time for formal notification of the Montreal Protocol agenda issues requests. Therefore, we encourage the U.S. delegation take action to ensure that the parties to the Montreal Protocol consider this year a modification in the phase-out schedule of Methyl Bromide for developed nations. This is particularly relevant given the lack of sufficient alternatives for many uses of this crop protection tool.

Thank you very much for your consideration of this very important issue.

Sincerely,

Roy Blunt
Member of Congress

Adam Putnam
Member of Congress

Elton Gallegly
Member of Congress

Mark Foley
Member of Congress

George Radanovich
Member of Congress

Jack Kingston
Member of Congress

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cc: Mr. John L. Pemberton, Office of Air and Radiation - EPA
Honorable James R. Moseley, Deputy Secretary of Agriculture
Stephen L. Johnson, Ph.D., U.S. Environmental Protection Agency
Bob Ford, U.S. Department of State.
Burleson Smith, U.S. Department of Agriculture

May 14, 2003

VIA COURIER AND FACSIMILE

Mr. John L. Pemberton
Chief of Staff
Office of Air and Radiation/IO
U.S. Environmental Protection Agency
1200 Pennsylvania Avenue, NW
Room 5406, Mail Code 6101A
Washington, DC 20460

Re: Potential Changes to the Montreal Protocol Regarding Methyl Bromide

Dear Mr. Pemberton:

This letter is submitted on behalf of the Crop Protection Coalition (CPC). CPC represents various agriculture and food interests involved in assuring the continued availability of important plant and pest protection tools such as methyl bromide. To that end, CPC re-emphasizes the need for the Parties to the Montreal Protocol to consider this year a change in the phase-out schedule of methyl bromide for developed nations. Specifically, the schedule should be changed to reflect the lack of sufficient alternatives for many uses of the chemical. In our view, this can best be accomplished by amending the schedule to allow developed nations continued use of 50% of the baseline and freezing this level until 2010. We recognize that there may also be other approaches that can achieve similar meaningful relief from the full phase-out. CPC feels very strongly that the Parties to the Montreal Protocol must discuss options to the phase out at this year's fall meeting. To ensure this discussion occurs, the United States government must take the necessary action to put this issue on the 2003 agenda.

In October and November of last year and on many occasions since, CPC representatives have discussed in detail our concerns and thoughts on this issue with you, additional EPA personnel and other representatives of the Federal Government, including the Department of Agriculture and the State Department. CPC continues to be concerned that the 2003 phase-down of methyl bromide to 30% of baseline levels (70% reduction),

does not consider or reflect that no feasible alternatives exist to replace this chemistry. Further, we are gravely concerned that there would not be sufficient alternatives by the January 1, 2005 phase-out date. In light of the lack of alternatives, we question the ability of the CUE process to function properly considering the significant industry and government resources required to request and obtain a CUE.

In the fall of 2002, CPC first brought up the idea of an extension under the Protocol with EPA, State Department and USDA personnel. At that time, we were told that any consideration of a change in the Protocol could not occur at the 2002 meeting of the Parties to the Protocol. We were advised that, for the Montreal Protocol, changes could only be formally placed on the meeting agenda after a request is submitted to the Secretariat's Office in accordance with the notice provisions established by the Parties. In our acknowledgment that the Parties could not consider such action for 2002, we believed and intended to make it clear that we wanted the federal government to get the issue on the agenda in time for consideration at the 2003 meeting of the Parties. It has come to our attention that the time for formal notification of agenda issue requests is fast approaching. CPC wants to make certain that the extension/delay of the phase-out is put on the agenda for action this year.

We strongly encourage your Agency to support and take action to ensure that a discussion of the extension of methyl bromide phase-out by the Parties is included on the meeting's agenda. There should be a dialogue on this issue led by the United States delegation. We believe a US lead is particularly important because, after an exhaustive analysis of CUE applications, EPA determined that feasible alternatives did not exist for approximately 39% of the current uses of methyl bromide. In an effort to save valuable resources, it only makes sense, that the Parties consider modifying the schedule to reflect a substantial reduction in baseline levels compounded by a continued lack of sufficient feasible alternatives for many product uses.

Your consideration of this request is greatly appreciated.

Very truly yours,

Edward M. Ruckert
Counsel to the Crop Protection Coalition

cc: Honorable James R. Moseley
Jeff Holmstead, Esquire
Stephen L. Johnson, Ph.D.
Bob Ford, State Dept.
bcc: Burleson Smith
Majority Whip Roy Blunt

ADAM H. PUTNAM
12TH DISTRICT, FLORIDA

HOUSE REPUBLICAN CONFERENCE CHAIRMAN

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www.adamputnam.house.gov

Congress of the United States
House of Representatives

Fax Transmission

TO: The Honorable Marcus Peacock, Environmental Protection Agency

FROM:

Washington Office		District Office
	X Honorable Adam Putnam	
☐ Charles Cooper		☐ Mathew Joyner
☐ Karen Williams		☐ Cheryl Fulford
☐ Brooke McKnight		☐ Keith Rupp
X Ashley Fishburn		☐ Pam Fuller
☐ JD Hooker		☐ Josee Duchesneau
☐ Kristene Henkelman		☐ Amy Topol
☐ JR Smith		☐ Anne Bell
☐ Johnny Craig		☐ Kelly White

Fax: 202-501-1470 **Pages:** (including cover) 1

Phone: **Date: September 23, 2008**

Re: **CC:**

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ADAM H. PUTNAM
12TH DISTRICT, FLORIDA

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Congress of the United States
House of Representatives

September 22, 2008

The Honorable Jim Nussle
Office of Management and Budget
725 17th Street, NW
Washington, D.C. 20503-0004

Dear Director Nussle:

It is my understanding that the Environmental Protection Agency (EPA) has instituted the practice of issuing- and making publicly available- quarterly performance measures in an effort to increase accountability, performance, and transparency. The most recent EPAStat Quarterly Report, which is available online at http://www.eps.gov/ocfo/egr/index.htm, highlights the EPA's performance using dozens of measures through the second quarter of 2008. These reports are a vital management tool and assist complex government agencies in assessing the performance of their programs and their ability to meet strategic goals.

I commend the efforts of the EPA and believe this is a great step toward improvement in overall management and performance of this federal agency and the many programs it is responsible for. If implemented correctly, this initiative could very well become a model for all other federal agencies in order to evaluate their system functions and ultimately deliver better results to the American people.

As guardians of taxpayer funds, federal agencies need management tools to ensure their goals are met and programs are successfully implemented. Without making them publicly available, however, these tools lack accountability. It is my sincere hope that the EPA will continue to publicly issue EPAStat Quarterly Reports and that other federal agencies will soon follow their suit to integrate this practice.

Sincerely,

Adam H. Putnam

Adam H. Putnam
Member of Congress

cc: The Honorable Stephen Johnson, Environmental Protection Agency
The Honorable Marcus Peacock, Environmental Protection Agency ✓

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2010 NOV 15 AM 7:53

OFFICE OF THE
EXECUTIVE SECRETARIAT

November 12, 2010

The Honorable Lisa P. Jackson
Administrator
United State Environmental Protection Agency
1200 Pennsylvania Ave, NW
Washington, DC 20460

Re: Florida Nutrient Criteria

Dear Administrator Jackson:

As the newly elected officials representing Florida, we are writing today regarding the proposed EPA numeric nutrient rules for our state. We are concerned that the EPA's unprecedented nutrient criteria rulemaking will impose substantial regulatory and economic consequences on Floridians. The rule for rivers, streams and lakes is scheduled to be finalized on November 14, 2010, and we request a delay so that we have time to fully analyze the rule and its affect on Florida.

We are very concerned about the cost of this onerous regulation to Floridians. Businesses across Florida are struggling and our unemployment rate is nearly 12%. We each ran on the platform of fiscal responsibility and heard from numerous constituents about concerns of an overbearing federal government that's placing burdensome regulations on Florida's families and employers. According to a study done by the Florida Department of Environmental Protection, the EPA mandates set to be finalized this November 14th, will impose capital costs of over $4 billion on municipal wastewater treatment utilities and over $17 billion on municipal storm water utilities. The cost of these new mandates could impede our state's economic recovery and increase the price of utilities, food and other necessities for Floridians.

The Florida Department of Environmental Protection (FDEP) has expressed significant concerns regarding the scientific validity of the numeric nutrient criteria the EPA is set to impose on Florida, even questioning whether the standards are attainable or will achieve environmental benefits. In April 2010, the EPA's own Science Advisory Board joined the chorus of FDEP, Florida Department of Agriculture and Consumer Services, University of Florida Institute of Food and Agricultural Sciences, the Florida Legislature and others in expressing serious concerns that the EPA's methods for developing nutrient standards are scientifically flawed.

Therefore, we strongly urge you to delay implementation of the final rule for lakes and flowing waters. Florida is the first state to be subjected to such federal rules, and we must ensure that the science is sound and the benefits are worthy of the costs.

Sincerely,

Rick Scott
Governor-Elect

Pam Bondi
Attorney General-Elect

Adam Putnam
Commissioner of Agriculture and Consumer Services-Elect

Richard B. "Rich" Nugent
Congressman-Elect District 5

David Rivera
Congressman-Elect District 25

Dennis A. Ross
Congressman-Elect District 12

Steve Southerland
Congressman-Elect District 2

Daniel Webster
Congressman-Elect District 8

cc: President Barack Obama
Tom Vilsack, Secretary, United States Department of Agriculture
Cass R. Sunstein, Administrator of the Office of Information and Regulatory Affairs, Office of Management and Budget

Florida Water Quality Coalition

Washington Coalition

The Honorable Lisa P. Jackson
Administrator
United State Environmental Protection Agency
1200 Pennsylvania Ave, NW
Washington, DC 20460

ADAM H. PUTNAM
12TH DISTRICT, FLORIDA

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Congress of the United States
House of Representatives

GOVERNMENT REFORM
CHAIRMAN
SUBCOMMITTEE ON TECHNOLOGY, INFORMATION POLICY, INTERGOVERNMENTAL RELATIONS, AND THE CENSUS

AGRICULTURE

BUDGET

HOUSE POLICY COMMITTEE

JOINT ECONOMIC COMMITTEE

January 5, 2005

Ms. Mary Frazier
Environmental Protection Agency
Office of Congressional and Intergovernmental Relations
61 Forsyth St SW
Atlanta, Georgia 30303

Dear Ms. Frazier:

Enclosed is information received from my constituent, Donald Stepp. I believe the enclosed information is self explanatory.

Any assistance your office can provide to Mr. Stepp would be greatly appreciated. Please keep me advised by sending a reply to my district office at 650 East Davidson Street, Bartow, Florida 33830.

Thank you for your assistance.

May God bless America.

Sincerely,

Adam Putnam
Member of Congress

AHP/kab

Enclosure

PRINTED ON RECYCLED PAPER

Congressman Adam H. Putnam
650 East Davidson Street
Bartow, Florida 33830

November 24, 2004

RE: Fleeceing of Florida Citizens

I have been researching the US Safe Drinking Water Act (EPA) and the SDWA of Florida for approximately five years. Only recently have I contacted the US Senate and the US House of Representatives. I have contacted the US Environmental Protection Agency and was referred to their District Four office in Atlanta, GA. Here I was advised that they could do nothing and their Criminal Investigation Division did not have any authority to investigate this matter. This is the same sort of bull and run around I received at the federal and state and county and local agencies responsible for delivering potable, useable water to peoples homes and responsible for either passing legislation or initiating legislation to make sure the laws of the federal and state and local governments protect the rights and the best interest of the people that elected them or the people that work for them. It would be my guess, as a good old country boy with a little common sense, that this is the most expensive "flim flam" that has ever hit Florida or possibly any locale in the country. Their are so many agencies responsible for water in this state and country that no office knows what the other office is doing or is responsible for doing. While the Centers for Disease Control has time to promote gun control they have no time for investigating if the best interest of the peoples drinking water is being served.

All of this problem starts at the top, the EPA, and trickles down. This with the US Safe Drinking Water Act and its adoption almost in its entirety as state statutes in Florida and probably other states. Unfortunately in the mid nineties the EPA turned their oversight to the Florida Department of Environmental Protection. Now part of the oversight is turned over to the Florida Public Service Commission and in some counties, Polk for example, it has now been turned over to the State Department of Health. The oversight of protecting the people as regards the water delivered to their homes is so fragmented that no one knows what authority they have nor who to go to get the authority they need to oversee the enforcement of the SDWA. The Florida DEP and PSC claim they do not have the authority to hold a press conference to advise people that they are being taken to the cleaners by the corrosive water delivered to their homes. This, even though the State of Florida and all of its agencies produced a study showing that peoples home plumbing was being destroyed by the water they were receiving because of a lack of proper treatment. The federal SDWA makes it perfectly clear that the states have the authority to pass legislation to change the EPAs recommended Secondary Maximum Contaminant Levels to protect their areas. Herein lies the main problem in this incidence. The EPA has full statutory enforcement procedures to enforce their Maximum Contaminant Levels but their Secondary Contaminant Levels are recommendations to the states and are not enforced by the EPA and in this case they are not enforced by anyone I have found. This is giving the purveyors of water a license to steal. If there were ever any doubt that this nontreatment of water nor the notification of the public as to the quality of their water and what it is doing to their the Polk County Commission removed that doubt as they are now, on advice of counsel, taking the Fifth Amendment against self incrimination and refusing to address this subject in any way. Actually they have just made it official for the City of Winter Haven, where I buy my contaminants, just doesn't bother to reply to anyone as does the Polk County delegation to the state legislature. Correspondence to any state agency, including the office of the governor either goes unanswered or you get the usual run around that no one has the authority to do anything. Including the right to notify the public to protect their homes. which was one of the main subjects addressed by the state study by Florida's ,"Interagency Copper Corrosion Project Final Report- May 2001". This study also came to the conclusion of what causes corrositivity. copper corrosion, in the state and especially Central Florida and ways to treat the water. Very expensive. They also recommended that the sellers of this water, under authority granted to the County Commission under Florida statute 125, to find ways to help home owners repair and replace damages to their homes. Naturally this has been completely ignored either through ignorance, stupidity, a complete lack of knowledge of how to test water and to treat water or, in my opinion, a criminal conspiracy so as not to have to get into the money they have been stealing by selling this defective stuff. At least twice recently, auditors of the City of Winter Haven have told them to quit transferring money from their utilities account and placing it in the general fund for they are on the apparent edge of bankruptcy. Probably just a coincidence but at about this same time Winter Haven quit billing their water as Winter Haven Utilities but rather as Winter Haven Customer Service.

I was researching this subject two years before Florida came out with its study and admissions. Universities such as Wilkes University in Pennslyvania had studies on the subject of copper corrosion and corrositivity long before the State of Florida. I would note here that oversight was obviously not turned over to the State of Pennsylvania for in the study by Wilkes they point out that Pennslyvania's DEP working with the EPA have made copper corrosion/corrositivity a zero tolerance and will take action against any utility that generates complaints of corrosion. Local reasons given when you can get them sound like something out of Disney as to the cause of the destroyed homes. Reasons given by numerous studies that I am sure that

some of these agencies must be aware of list the same reasons for the corrosion. There are chemicals and substances in the source water that when it comes in contact with coper and some other metals acts like a car battery. Thus the pin holes in the copper in peoples plumbing which can completely flood a home while you are at the beach for the weekend. Plumbing, carpets, floors, walls all ruined. The only solution offered to date is to replace the entire plumbing in homes from one year old back with CPVC pipe. Until about ten years ago copper was considered a life of the home product.

If you have any doubts about the seriousness of this problem I offer the following example. My source of water, the City of Winter Haven, has approximately 24,000 water customers or meters. The cost depends on the size and shape of the home, really bad if multistory, and the number of plumbing outlets. Also how much damage the plumber does in tearing into inner and out side walls which is not included in the repipeing cost of the home. You can figure, carpet, flooring and carpet layers, carpenters, painters, wall paper hangers and new faucets and fixtures that are resistant to this corrosion. Something new on plumbing trucks. We now have leak detectors. We repipe complete homes. The plumbing industry is booming. You can hardly get a faucet installed for they are snowed under repipeing houses.

A fair estimate of the cost of just the changing from copper to PVC would be $5,000 and up. Taking Winter Haven's 24,000 meters this would be about $120,000,000 for this small city alone. Polk County's average wages are below the poverty level and retired people are dieing from a lack of income for medicines. Not everyone can reach into their bank accounts and come up with five to 35 thousand dollars to make these repairs. Because the state of Floridas agencies cannot even hold a press conference and explain all of this to the public and local TV outlets wont touch it they just keep throwing money down the black hole repairing their copper which will leak again a few feet from their last repair. For this reason some plumbers are refusing to repair copper pipe explaining to their customers that they are just throwing their money away. The house has to be repiped with plastic. Some studies I have read show that an upgrade of water treatment plants would slow this epidemic but would probably not stop it for this corrosion is almost impracticable to stop once started.

This entire incident if sickening. Slick politicians trying to get by on the cheap and running the cost up into the billion dollar range state wide. I am going to be looking for replies to this which I haven't received in most cases in the past. I will be interested to see if anyone gets off of their rears and tries to do something productive for a change. It sure as hell is going to cut into the pork barrel money for a lot of years. Bullet train my rear.

For the information of those receiving this letter, be advised that I am sending the exact copy to people I have tried to get answers in the past and will also flood the media market for what ever it is worth. There are thieves among us and elected officials that dont give a damn about the average citizen. It should also be boldly pointed out that this is not a Polk County nor a Central Florida issue but a Florida problem that needs probably a Florida solution with input from the EPA! Also that many states will benefit from the outcome of this investagation into a tangled, jumbled mess!

Very Sincerely,

Donald L. Stepp
(b) (6) [redacted]
Winter Haven, Florida (b) (6) [redacted]
(b) (6) [redacted]

ADAM H. PUTNAM
12TH DISTRICT, FLORIDA

COMMITTEE ON RULES

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Congress of the United States
House of Representatives

July 18, 2005

Ms. Mary Frazier
Environmental Protection Agency
Office of Congressional and Intergovernmental Relations
61 Forsyth St SW
Atlanta, Georgia 30303

Dear Ms. Frazier:

Enclosed is information received from my constituent, Mr. Charles Prout. Mr. Prout is concerned about the award of a federal procurement contract designated for small business to UNICOR, a government corporation.

Any assistance your office can provide to Mr. Prout would be greatly appreciated. Please keep me advised by sending a reply to my district office at 650 East Davidson Street, Bartow, Florida 33830.

Thank you for your assistance.

May God bless America.

Sincerely yours,

Adam H. Putnam

Adam H. Putnam
Member of Congress

AHP:at

Enclosure

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Creative Recycling Systems, Inc.

Charles D. Prout
Marketing Consultant

(b) (6)
Tallahassee, FL 32305

(b) (6)

Cell: (b) (6)
(b) (6)
(b) (6)
Fax: 850.894.2779

July 8, 2005

Re: UNICOR

Ms. Amy Topol:

Thank you for your help. A letter of inquiry of how this could have happened would be appreciated. Please call me is you need more information, (b) (6)

Thank you,

Charlie

Charles D. Prout
Creative Recycling
38 Mary Lou Trail
Crawfordville, FL 32327

(b) (6)

POSITION PAPER RELIEF & REFORM OF UNFAIR PRACTICES AFFECTING SMALL BUSINESSES BY FEDERAL PRISON INDUSTRIES, INC.
JUNE 30, 2005

EXECUTIVE SUMMARY: Federal Prison Industries, Inc. ("FPI" a/k/a "UNICOR"), a wholly owned federal government corporation, has unfairly competed with small businesses for EPA Procurement PR-HQ-03-12341, Recycling Electronics and Asset Disposition Government Wide Acquisition Contract ("READ GWAC") (See TAB A.1.) On December 16, 2004 the U.S. Environmental Protection Agency ("EPA") awarded Contract EP-W-05-003 to FPI for EPA Procurement PR-HQ-03-12341 (See TAB A.2). The READ GWAC was a procurement totally set aside and reserved exclusively for small businesses. On February 3, 2005 the U.S. Small Business Administration ("SBA") Area 2 Government Contracting Office acting on protests filed by Creative Recycling Systems, Inc. ("CRS") (See TAB A.3)and Global Investment Recovery ("Global") issued a Size Determination for Case No. 2-2005-23 & 42 (See Tab B) in which the SBA determined that FPI was not eligible for a contract award for the EPA READ GWAC. EPA subsequently sustained CRS's protest without limitation/qualification on February 8, 2005. CRS's sustained protest called for the cancellation of all contract awards for the READ GWAC (See TAB C). On May 19, 2005 an official from the EPA stated in an industry conference that UNICOR's (FPI's trade name) contract award had been terminated by a technicality and that UNICOR would still be providing READ GWAC services as a subcontractor. The Federal Procurement Data System – Next Generation ("FDPS-NG) indicated on June 27, 2005 that SDS National LLC was awarded a READ GWAC contract on December 16, 2004 (See Tab D). SDS National LLC was not included on the December 15, 2004 Award Letter (See TAB A.2). In fact the U.S. Small Business Administration Office of Hearings and Appeals Decision RE: SDS National, LLC, No. 4676 (December 29, 2004) Docket No. SIZ-2004-10-12-60 makes reference to a SBA Area 4 Government Contracting Office Size Determination issued on September 22, 2004 that found that SDS National LLC was other than a small business concern and in fact an affiliate of UNICOR (See Tab E) for Solicitation No. SP4410-03-R- 6006 Defense Logistics Agency. Both UNICOR and SDS National LLC competed for the READ GWAC.

UNICOR's position has been that Congress in enacting Section 637 of Public Law 108-199 required procuring activities to allow UNICOR to compete against small businesses for total small business set-asides for service contracts. As a matter of law the SBA has decided that FPI is not eligible to compete for small business set aside service contracts yet its ruling is apparently being made meaningless by back door subcontracting by FPI. In fact the Congressional authors of Section 637 of Public Law 108-199 are totally baffled by FPI's interpretation of the law. Congress never intended to allow a government owned corporation, which has made total sales of over $2 billion dollars in the last three fiscal years to compete with small businesses as a small business. It is an absolute outrage that FPI suggests that the authors of Section 637 of Public Law 108-199 had any such intent. It is beyond comprehension how anyone could consider it fair that small businesses; many which are owned by single mothers, minorities, disabled persons, and veterans should have to compete against a government corporation that pays its convict workers in most cases about one fourth the federal minimum wage; pays no Social Security or Medicare taxes on the wages paid its convict workers; pays no state or local payroll taxes in support of local communities for its convict workers; provides no benefits for its prisoner workforce; and pays no federal, state, or local taxes on its profits.

RELIEF SOUGHT: CRS seeks relief for the small businesses affected by UNICOR's unfair competition for the READ GWAC procurement as follows:

1. Cancellation of EPA Procurement PR-HQ-03-12341 in its entirety.
2. That the eight small businesses in the competitive range for PR-HQ-03-12341 which were not selected for contract awards for PR-HQ-03-12341 prior to December 17, 2004 as documented on June 15, 2005 in the Federal Procurement Data System – Next Generation (FPDS-NG) each receive the following monetary compensation:
   a. Reimbursement of their proposal costs for EPA Procurement PR-HQ-03-12341.
   b. Payment of 15% of the maximum amount authorized by Clause B.2 of PR-HQ-03-12341.
   c. Reimbursement for reasonable legal and attorney costs expended to collect the amounts authorized by 2.a and 2.b above.

REFORM:

1. We recommend that the Senate introduce similar if not identical legislation to Congressman Hoekstra's Bill H.R. 2965 (109th Congress) and work with the House of Representatives to enact these reforms into law this year.

2. That the appropriate small business protections contained in Senate Bill 749 (109th Congress) sponsored by Senators Levin, Grassly, Thomas, and Stabenow be reported out of committee expeditiously and be enacted into law this year.

ADAM H. PUTNAM
12TH DISTRICT, FLORIDA

COMMITTEE ON RULES

COMMITTEE ON THE BUDGET

Congress of the United States
House of Representatives

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December 14, 2005

Ms. Mary Frazier
Environmental Protection Agency
Office of Congressional and Intergovernmental Relations
61 Forsyth St SW
Atlanta, Georgia 30303

Dear Ms. Frazier:

Enclosed is information received from my constituent, Mr. Curtis Maddox. I believe the enclosed information is self-explanatory.

Any assistance your office can provide to Mr. Maddox would be greatly appreciated. Please keep me advised by sending a reply to my district office at 650 East Davidson Street, Bartow, Florida 33830.

Thank you for your assistance.

May God bless America.

Sincerely yours,

Adam H. Putnam
Member of Congress

AHP:at

Enclosure

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INQUIRY

South Florida Water Management District
Compliance/Violation

The Honorable Adam H Putnam
Member of Congress
650 East Davidson Street
Bartow FL 33830

November 29, 2005

The Honorable Adam H. Putnam
Member of Congress
650 East Davidson Street
Bartow, Florida 33830

Re: Public Health and Safety
Compliance/Violations
South Florida Water Management District
Permit #CS 53-0140591-001
SFWMD Project #97-012

Dear Representative Putnam,

With this letter and attached reference documents, I bring to your attention, and that of the Florida Department of Environmental Protection (FDEP) a very serious concern as to the health and safety of Hatchineha Estates, and of the general public who use the Port Hatchineha Marina Complex located in Polk County, Florida. This concern is the result of a wastewater collection/transmission project permitted by FDEP, via the Central District office, Orlando, Florida and project constructed by the South Florida Water Management District, West Palm Beach, Florida (SFWMD).

The public health and safety concern is that this construction will contaminate existing potable water supply wells located within the Hatchineha Estates. SFWMD made application to FDEP on or about May 06, 1998 to construct a domestic wastewater collection/transmission system (Exhibit 24) and same was granted to SFWMD by FDEP on June 02, 1998 permit #CS 53-0140591, (Exhibits 22 and 23).

I am requesting FDEP give its full and immediate attention to the following attached information and take immediate action so that a very serious health and safety condition can be addressed and corrected. For convenience to yourself and others within the FDEP, I have attached a brief chronology of events and participants related to this public health and safety issue.

The following will show between June 02, 1998 and October 19, 1999 SFWMD constructed a wastewater collection system in violation of several health and safety

codes, regulations, statutes and requirements of the United States Department of Environmental Protection and the Florida Department of Health. Between June 02, 1998 and October 19, 1999 SFWMD constructed a sewer line within seventy-five (75) feet of several private potable water supply wells and less than one-hundred (100) feet of several public potable water supply wells within the Hatchineha Estates (Exhibit 14 pg. 2 and Exhibit 1 pgs. 443 (14) and 444 (400-c) and Dwgs. D8 and 8a.

The most grievous issue shall be the basis of this requested inquiry. It is that a public potable water supply well which currently is and has supplied potable water to the Port Hatchineha Marina Complex, a commercial business, and to several private residents totaling more than thirty-five (35) in number for at least thirty-years (30) has been condemned for use by and for the Port Hatchineha Marina Complex, by the Florida Department of Health solely, "due to the presence of a sanitary sewer main approximately thirty-five (35) feet from the well" (Exhibit 17 and 19 pgs. 1 and 2). Also note that this well has been exposed to two (2) cornering/intersecting sewer lines in addition to two (2) manhole collection points all less than one-hundred (100) feet of said well. (Dwg. 8 and D8a).

Prior to SFWMD making application for a permit to construct the wastewater collection system, SFWMD did have in its records, files, and data base documentation that there existed a number of public water supply wells in Hatchineha Estate. SFWMD did have prior knowledge Port Hatchineha Marina Complex did own and have full use of and was in use of a public water supply well located at the intersection of Bass Street and Hatchineha Road. (Exhibits 31, 30 and 29 pgs. 13/17 and 18 and Exhibit 26 pgs. 4/32 and Table 4.2.1 and (Dwgs. D1, D2, D2a, D5, 5a, D6 and D6a). SFWMD was obligated to include and to address "protection" to and for these existing public water supply wells in its permitting process, application and or exception taken thereof. (Exhibit 24 pg. 2 of 5 Subpart A: (5). This information/data was not provided and or addressed.

Prior to SFWMD making application for a permit to construct a wastewater collection system, SFWMD did have in its records, files, and data base documentation that there did exist a commercial business known as Port Hatchineha Marina Complex and that same had been in operations on or before June 22, 1990. (Exhibit 32 pgs. 1 and 2, and Exhibits 31 and 29 pgs. 1/2 and 12, portions of appraisal of the entire Port Hatchineha Marina Complex and Exhibit 26 pgs. 7/21/24 and 38) and Exhibit 11 and Dwgs. D1, D2, D3, D5a,D6 and D6a). SFWMD was obligated to include and address the impact the wastewater

collection system would have on this existing business in its permitting progress, application and or exceptions taken thereof. (Exhibit 24 pg. 2 of 5 Subpart A:5).

Prior to SFWMD making application for a permit to construct a wastewater collection system, SFWMD did have in its records, files, and data base documentation of potential health and safety issues. (Exhibit 26 pg. 32 – 4.2 Potable Water) "Problems have been experienced with the existing system in the past and the County, FDEP, and the SFWMD all agree that something needs to be done to provide a safe drinking water source at this location". SFWMD was obligated to include and address the impact the wastewater collection system would have on an already questionable and vulnerable public water supply and thereby was obligated to provide engineering criteria that would provide protection to and for the public water supply wells located in Hatchineha Estates. (Exhibit 24 pg. 2 of 5 Subpart A: (5)

As stated, Exhibit 24 details permit requirements. It is to be noted, said permit application was certified by William F. Malone, SFWMD Department Director of Construction and Land Management and also by Ronald P. Ferland with the firm of Barnes, Ferland and Associates, Inc., as engineer of record and design. The application was certified to be "true, correct and complete" (Exhibit 24 page 4 of 5) Part III/Certifications.

However, Subpart A: (2) only makes reference to 328 single-family residential lots. Applicants do not make reference to the fact there also exists, and should have been considered within the scope of proposed construction, two (2) commercial businesses. One business is known locally as Camp Mary. Camp Mary operates as a trailer/mobile home park with seven (7) units, four (4) RV sites, one (1) multi-apartment complex with owner residence attached, and miscellaneous recreational uses such as a public use boat ramp. The second commercial business is known as the Port Hatchineha Marina and Restaurant and has been previously noted. (Exhibit 29 pgs. 1/10/12 and 13 and Exhibit 26 pgs. 7 and 38) The "Port" is known, not only locally, but has been featured in several national publications in the past twenty (20) years, thereby has given the local area great exposure to the public and knowledge of its existence. The "Port" consists of a small motel, cottage, RV camp ground, double wide boat ramp with parking for approximately seventy-five (75) water craft trailers and vehicles, bait, tackle and gasoline sales and also provides the area with a full service restaurant. The "Port" has been in operation in excess of thirty (30) years and Camp Mary has a very similar history. (Exhibit 32 pg. 2, Exhibits 30 and 29 pgs. 2 and 13, Exhibit 26 pgs. 7/21/24/38 and 50, Exhibit 19 pg. 1, and Dwgs. 1, 2, 3, 5a, 6, 6a and 7). The

preceding Exhibits and Dwgs. show detail and knowledge SFWMD had in its personal records, files, and data provided by others. The entries should have been included and made part of the application and permit issuance documents.

Subpart B: (1)b of Part II (Exhibit 24), references only single-family homes and does not describe or detail other concerns related to Port Hatchineha Marina Complex and or Camp Mary.

Subpart A: (5), of Part II (Exhibit 24) has been incorrectly answered. Item (5) brings to the forefront major concern of this correspondence and notice. William F. Malone and Ronald P. Ferland have failed to reply "true, correct and complete to best of their knowledge" thereby raising question as to the validity and intent of the permit application. This allegation is based on the following.

(1) Between June 2, 1998 (Exhibits 23 and 22) and October 19, 1999 (Exhibit 21) SFWMD did construct, complete and commit to service a wastewater collection system, with full knowledge that construction errors did exist by reason that private and public potable water supply wells located within the Hatchineha Estate have been exposed to hazardous life threatening contamination. These contamination errors jeopardize the health and safety of the general public, due to failure of SFWMD to adhere to standard practice of The American Society of Civil Engineers. (Exhibits 1 pg. 441-7 and 5 pg. 2).

(2) Between October 19, 1999 (Exhibit 21) and present date, SFWMD has made no attempt to address or correct the health and safety exposure that exists in the Hatchineha Estates. SFWMD has been informed and made aware of the potential health and safety exposure that now jeopardize the residents of Hatchineha Estates. (Exhibits 20, 19 pgs. 1/2, and 17, 16 pg. 1, and 15, 9, 6, 5, 4, 3, and 2).

In conclusion, SFWMD has ignored its responsibility to correct a construction error which has the potential to do harm to the general public. Instead, it claims it "did not know and had no reason to know that the well had ever been used for drinking water and did not know and had no reason to know that the well was to be used for a restaurant. (Exhibit 2). As a result, SFWMD has referred the matter to FDEP. (Exhibit 3).

FDEP has concluded SFWMD did in fact violate the "100 feet separation rule" (Exhibit 19) which in itself dictates SFWMD has erred. SFWMD has erred by

improperly making an application for a permit to construct a wastewater collection system. To date, FDEP has taken no action.

FDPH of Polk County is aware of this serious health and safety issue within its jurisdiction and also has made no attempt to address the issue, thereby neglecting its responsibility to the general public for whom it is to protect. This matter is of utmost importance to the area and the residents and patrons of the affected businesses. I am respectfully requesting that action be taken to remedy the EPA violations.

Curtis L. Maddox (b) (6) [redacted]

cc: Richard Lott P.E
Drinking Water Program.
Florida Department of Environmental Protection
Central District
Orlando, Florida

Colleen Castille
Director
Florida Department of Environmental Protection
Tallahassee, Florida

Adam H. Putnam
United States Congressman District 12
Bartow, Florida

Paula Dockery
State Senator District 15
Lakeland, Florida

Marsha Bowen
State Representative District 65
Winter Haven, Florida

United States Environmental Protection Agency
Region 4
Atlanta, Georgia