

**BEFORE THE ENVIRONMENTAL APPEALS BOARD
UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C.**

In re:)	
)	
City & County of Honolulu)	NPDES Appeal No. 09-01
Sand Island Wastewater Treatment Plant)	
Honouliuli Wastewater Treatment Plant)	
)	
NPDES Permit Nos. HI0020117 & HI0020877)	
)	

JOINT STATUS REPORT

The United States Environmental Protection Agency, Region 9 (“Region 9” or “the Region”) and the City and County of Honolulu (“CCH”), respectfully submit this Status Report in response to the June 30, 2010 Order Scheduling Status Conference. The Board directed the parties to advise the Board of any impacts any tentative settlement of long-standing litigation over the wastewater treatment system owned and operated by CCH may have on the above-captioned petition and why the parties did not apprise the Board of the existence of settlement negotiations. The Board also directed the parties to participate in a settlement conference on Monday, July 19, 2010.

For several years, commencing before the Region’s first tentative permitting decision at issue in this appeal, Region 9 and CCH, together with the State of Hawaii (“State”) and a group of non-governmental environmental organizations (“NGOs”), have been engaged in on-again, off-again negotiations, in an effort to resolve claims by the United States, the State, and the NGOs related to CCH’s violations of the CWA and, in the State’s case, State water pollution

control laws. On June 28, 2010, the Mayor of Honolulu and the Regional Administrator of EPA, Region 9, jointly announced that they had reached a settlement in principle of all the parties' enforcement claims. In addition, the settlement included provisions for CCH to upgrade its Honouliuli and Sand Island Wastewater Treatment Plants to secondary treatment. The specific terms of the settlement, however, remain confidential. Region 9 and CCH anticipate that the terms of the settlement will not be publicly disclosed until after the CCH City Council considers the matter at a meeting scheduled for July 14, 2010.

If approved by the City Council, the final settlement must be approved and signed by the United States Department of Justice, the EPA Office of Enforcement and Compliance Assurance, the State, and the NGOs. Thereafter, the parties will finalize, approve, execute and lodge with the District Court of Hawaii a Consent Decree that sets forth the terms of the settlement and the obligations of the parties. In accordance with 28 C.F.R. §50.7, the U.S. Department of Justice will then publish notice of the Consent Decree and afford the public an opportunity of at least thirty (30) days to comment on it. Following the public comment period, the United States may move for entry of the Consent Decree, which the Court shall consider in light of any comments received and the parties' responses thereto. The specific requirements of the Consent Decree shall not take effect unless and until the Consent Decree is entered by the Court.

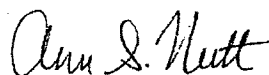
The Region and CCH did not inform the EAB about the existence of settlement talks concerning EPA's, the State's, and the NGOs' long-standing enforcement cases because of the nature of those discussions, which is itself confidential.

The specific terms of the proposed settlement agreement are presently both tentative and confidential. The parties did not address them in the June 28th announcement, and the Region

and CCH cannot discuss them in this Status Report. If they are made public prior to the Status Conference on July 19, 2010, the impacts that these terms may have on NPDES Appeal No. 09-01 may be addressed at the Status Conference, and counsel would be prepared to do so at that time.

Respectfully submitted,

July 6, 2010



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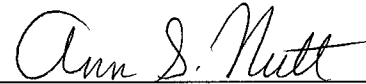
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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the Environmental Protection Agency Region 9's and City and County of Honolulu's Joint Status Report was filed electronically with the Environmental Appeals Board and a copy was e-mailed to:

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July 6, 2010



Ann S. Nutt