UNITED STATES ENVIRONMENTAL PROTECTION AGENCY REGION II

In the Matter of:

MUNICIPALITY OF AGUAS BUENAS

RESPONDENT

ISTATUS REPORT

DOCKET NUMBER CWA-02-2010-3455

2011 FEB I U P 2: 56
REGIONAL HEARING
OTERK

STATUS REPORT

COMES NOW Complainant, the U.S. Environmental Protection Agency ("EPA" or "Complainant") through the undersigned attorney, and respectfully alleges, prays and requests as follows:

The Complainant and the Municipality of Aguas Buenas (Respondent)
(herein together the "Parties") have been actively participating in good faith
negotiations, including conference calls, in order to expedite a final settlement of
this matter. On December 21, 2010, the Parties met and presented each other
with arguments and settlement proposals in order to reach an amicable
resolution to the above captioned matter. On December 27, 2010, Respondent
presented Complainant a settlement proposal which included a Supplemental
Environmental Project (SEP). During the past weeks Complainant and
Respondent have had several conference calls discussing the merits of
Respondent's settlement offer in accordance to which Respondent submitted a

revised SEP proposal on February 2, 2011. Complainant is currently reviewing

the revised SEP proposal.

This Motion has been filed today in order to have the Administrative Law

Judge, Honorable Barbara A. Gunning, take notice of the efforts made by the

Parties in trying to reach a settlement agreement dispositive of all matters

asserted in the administrative complaint.

This Motion was discussed today, February 10, 2011, with Raúl Negrón

Casasnovas, Esq., attorney for the Respondent, who agreed to the filing of this

motion.

Respectfully submitted, in San Juan, Puerto Rico, this 10th day of

February, 2011.

Héctor L. Vélez Cruz, Ésa.

US Environmental Protection Agency, RZ Centro Europa Building, 417

1492 Ponce de Leon San Juan, PR 00907

Tel. 787-977-5819 Fax. 787-729-7748

Velez.Hector@epamail.epa.gov

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CERTIFICATE OF SERVICE

I certify that I have this day caused to be sent the foregoing **Status Report**, dated February 10, 2011, and bearing the above-referenced docket number, in the following manner to the respective addressees below:

Original and copy by facsimile, Overnight Mail to:

Karen Maples

Regional Hearing Clerk
Region II
U.S. Environmental Protection Agency
290 Broadway, 16th Floor
New York, NY 10007-1866
Fax (212) 637-3202.

Copy by Certified Mail, Return Receipt to:

Attorney for Respondent: Raúl Negrón-Casasnovas, Esq.

P. O. Box 19539 San Juan, P.R. 00910-1539

Tel: (787) 721-8220 Fax: (787) 721-8223

rnegron@environlawpr.com

Copy by facsimile, Overnight Mail to:

Administrative Law Judge

Honorable Barbara A. Gunning

Office of Administrative Law Judges U.S. Environmental Protection Agency 1099 14th Street, N.W., Suite 350

Washington, D.C. 20005

Fax (202) 565-0044.

Date

Name