

**State of New Jersey
Department of Environmental Protection
Division of Water Supply
Bureau of Safe Drinking Water Technical Assistance**

Capacity Development Program

**ANNUAL REPORT ON
ONGOING IMPLEMENTATION
OF THE
CAPACITY DEVELOPMENT PROGRAM**

Period of July 1, 2010 to June 30, 2011

August 2011

Chris Christie
Governor

Kim Guadagno
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Commissioner

IMPLEMENTATION REPORT

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Introduction

The 1996 Amendments to the Federal Safe Drinking Water Act (SDWA) require states to prepare an annual report documenting the ongoing implementation of the Capacity Development Program for addressing capacity determinations for new systems and the application of the approved strategy for existing public water systems.

The 1996 Amendments to the SDWA create a focus on ensuring and enhancing the technical, managerial and financial (TMF) capacity of public water systems to comply with the National Primary Drinking Water Regulations.

In accordance with Section 1420 (a) of the SDWA, which requires each state to have the legal authority to assure that all new community and non-transient non-community water systems demonstrate adequate technical, managerial and financial capacity, the New Jersey Safe Drinking Water Act (N.J.S.A. 58:12A) was amended on August 2, 1999 (P.L.1999 Chapter 176). The New Jersey Department of Environmental Protection (Department) subsequently adopted regulations at N.J.A.C. 7:10-13 which established the requirements to assure that all new public community and non-transient non-community water systems have adequate capacity.

In accordance with Section 1420 (c) of the SDWA, each state is required to develop and implement a strategy to assist existing systems in acquiring and maintaining capacity. The United States Environmental Protection Agency (USEPA) approved the Department's Capacity Development Strategy on September 28, 2000.

This report will review the activities conducted by the Department from July 1, 2010 through June 30, 2011 regarding implementation of the Capacity Development Program.

New System Approval – Community Water Systems

Community Water Systems

The Department added one (1) new community water system (see Table 1 below) to its inventory of public water systems during the period of July 1, 2010 through June 30, 2011. The system was reclassified from a non-transient non-community water system to a community water system, as an existing system that was already activated. This system required no TMF analysis because the systems do not meet the definition of a "new system."

Table 1. New Community Water System

PWSID No.	SYSTEM NAME	START DATE	COMMENTS
1912300	Locor Lakefront Lodging	10/22/2010	Existing Infrastructure Reclassified T to CWS No TMF required

Key: PWSID – public water system identification number assigned by the Department based on the location of the water system; CWS – community water system; T – transient non-community water system; NT – non-transient non-community water system; TMF – technical, managerial, & financial

To date, no new community water system proposals have been denied approval based on TMF requirements.

New System Approval – Non-Transient Non-Community Water Systems

Non-Transient Non-Community Water Systems

New Jersey added eighteen (18) non-transient non-community water systems to its inventory of public water systems during the period of July 1, 2010 through June 30, 2011. Five (5) of the eighteen (18) systems required and received TMF approval under New Jersey Safe Drinking Water Act Regulations at N.J.A.C. 7:10-13. These systems were newly constructed or their infrastructure was expanded such that they were classified as a non-transient non-community water system and consequently required a TMF review. Two (2) of the eighteen (18) are pending TMF approval by the Department.

The remaining eleven (11) systems did not meet the definition of “new system.” These 11 systems were pre-existing water systems that were recently determined to be non-transient non-community water systems; were existing transient non-community water systems that were reclassified to non-transient non-community water systems; or were existing non-transient non-community water systems that were reactivated. Table 2 lists the non-transient, non-community water systems added.

**Table 2. New Non-Transient Non-Community Water Systems
And Pending TMF Approvals**

PWSID No.	SYSTEM NAME	START DATE	COMMENTS
0304306	Holy Cross Lutheran Church Preschool	03/08/2011	Existing infrastructure Reclassified T to NT No TMF required
0326325	Church of the Assumption	08/23/2011	Existing infrastructure Reactivated No TMF required
0329332	Pemberton Early Childhood Center	05/12/2011	Existing infrastructure Reactivated No TMF required
0332321	Education Station	01/01/2011	Existing infrastructure Reclassified T to NT No TMF required
1025332	Bethlehem Presbyterian Church	07/01/2010	Existing infrastructure Reclassified T to NT No TMF required
1319493	Davies Corporate Center Building #2	01/03/2011	Existing infrastructure Reactivated No TMF required
1432354	Goddard School	12/01/2007	TMF approved on 5/9/2011
1436332	Meier Industrial park	03/02/2011	Existing infrastructure Reclassified T to NT No TMF required
1436381	Roxbury DPW	12/09/2010	Existing infrastructure Reactivated No TMF required
1511429	Lakehurst Consolidated Logistics & Train	04/01/2011	Existing infrastructure Reactivated No TMF required
1511430	Hope Day School	01/08/2010	TMF Referral to Enforcement on 12/28/2010 TMF pending
1615449	Alfa Development Inc.	2/25/2011	New infrastructure TMF Approval Pending
1904309	Cathridge Actuated Devices	01/01/2011	Existing infrastructure Reclassified T to NT No TMF required
1910342	SCARC, Inc.	10/19/2010	TMF approved on 01/21/2011
1911353	Crystal Spring Real estate	12/21/2010	Existing infrastructure Reclassified NP to NT

PWSID No.	SYSTEM NAME	START DATE	COMMENTS
			No TMF required
1911354	Sussex County Annex Building	Pending	TMF Approved 06/10/2011
1918351	Sussex County Charter School (A)	01/01/2011	TMF Approved 10/15/2010
1918352	Sussex County Charter School (A)	01/01/2011	TMF Approved 10/15/2010

Key: *PWSID* – public water system identification number assigned by the Department based on the location of the water system; *CWS* – community water system; *T* – transient non-community water system; *NT* – non-transient non-community water system; *TMF* – technical, managerial, & financial

To date, no new non-transient non-community water system proposals have been denied approval based on TMF requirements.

Work Plan Activities

The Capacity Development Program SFY 2011 Work Plan was submitted to USEPA in May 2010. The following is a list of tasks included in the Capacity Development Program SFY 2010 Work Plan and a review of New Jersey's accomplishments and projected tasks for the 2010 fiscal year:

- 1. Finalize the SFY2010 Annual Report that documents the ongoing implementation of the capacity development program for addressing capacity determinations for new systems and the application of a focused effective strategy for existing public water systems. This report is due by August 2010.**

The SFY2010 Annual Report was finalized and sent to USEPA on August 15, 2010.

- 2. Generate the 2010 Capacity Development Strategy List for inclusion with the SFY2010 Annual Report. This list will identify and prioritize the water systems to be offered assistance in developing technical, managerial, and financial capacity. If efforts to create and apply a computer program to query the New Jersey Environmental Management System (NJEMS) and/or Safe Drinking Water Information System (SDWIS) databases are not completed in time, the alternative methods listed in the "Report on the Ongoing Implementation of the Capacity Development Program, Appendix II – Proposed Revisions to Capacity Development Strategy" dated August 2009 will be employed to generate the list. This list is due by August 2010.**

The 2010 Strategy List was included as Appendix I of the SFY2010 Annual Report and identified a total of 66 systems (37 community, 20 non-transient non-community, and 9 transient non-community) as high priorities for receiving capacity development assistance.

- 3. Prepare the SFY2011 Annual Report that documents the ongoing implementation of the capacity development program for addressing capacity determinations for new systems and the application of an effective strategy for existing public water systems. This report is due by August 2011.**

This SFY2011 Annual Report has been prepared to document the ongoing implementation of the Capacity Development Program for addressing capacity determinations for new systems and the application of an effective strategy for existing public water systems.

- 4. Assist the Drinking Water State Revolving Fund (DWSRF) program in updating the set-aside section of the Intended Use Plan and submit work plans to USEPA as prerequisites to apply for the DWSRF Capitalization Grant. These tasks are to be completed in 3rd quarter SFY2011.**

The Capacity Development Program provided its components for the FFY2012 Intended Use Plan and the SFY2012 Workplans for Set-Asides to the DWSRF Program in March 2011.

- 5. Continue the process of conducting on-site capacity evaluations for the 19 community and 20 non-community water systems on the Final 2007 Strategy List if not completed prior to June 30, 2010. This will be performed on an ongoing basis.**

Appendix I of this report provides a summary and status of Capacity Development Program activities for all of the community and non-community water systems from the 2010 Strategy List, including those systems which were carried over from the Final 2007 Strategy List and integrated into the 2010 Strategy List.

As noted in the 2010 Annual Report, Valley View Manor (PWSID# 1001301) and Liberty Royal Rehab Center (PWSID# 1336308) were identified as non-community water systems on the Final 2007 Strategy List. Since these systems were reclassified as community water systems, they are addressed as such in this report and Appendix I.

- 6. Initiate process of conducting on-site capacity evaluations for the community and non-community water systems identified on the 2010 Strategy List. This will be performed on an ongoing basis.**

To date, the Capacity Development Program conducted on-site evaluations at 15 of the 37 community water systems on the 2010 Strategy List. The Capacity Development Program also monitored the progress made by nine (9) other community water systems on the 2010 Strategy List with regard to their efforts to achieve compliance through enforcement of Administrative Consent Orders. Two (2) other community water systems have been purchased by Aqua New Jersey and one (1) community water system was removed from the 2010 Strategy List because the previous determination to classify the facility as a community water system was subsequently reversed.

The Capacity Development Program has worked with 5 of the 29 non-community water systems.

- 7. Provide direct technical assistance to those water systems that fail to demonstrate adequate technical, managerial, and financial capacity. This function will be performed on an ongoing basis and will attempt to cooperatively incorporate the use of technical, managerial and financial assistance. Technical assistance will include direct consultation to assist targeted water systems to comply with existing regulations regarding construction and operation. Managerial and financial assistance will attempt to incorporate the concepts of Asset Management to establish water system priorities in maintaining, refurbishing, and replacing needed infrastructure. Once these priorities are determined, the water system can then develop meaningful projections of expenses and evaluate how to garner the revenues needed to effect improvements. USEPA's Simple Tools for Effective Performance (STEP) Guide Series, Check Up Program for Small Systems (CUPSS), or similar tools/software will be used when appropriate. The program anticipates becoming involved in meaningful rate setting discussions, when needed, so that targeted water systems can themselves determine how best to accrue the funds required to maintain their water system.**

The Capacity Development Program provided direct assistance to the community water systems and non-community water systems on the 2010 Strategy List, as summarized in Appendix I. Staff performed background research, conducted TMF capacity evaluations and site visits, developed and presented improvement plans, and helped systems implement the improvement plans. Staff also facilitated meetings among system representatives (e.g., owners, managers, licensed operators, and consulting engineers), regulatory agencies (e.g., enforcement inspectors, compliance managers, and permit reviewers), and/or representatives from other public water systems to identify/evaluate alternatives and approaches for developing system capacity.

A SFY2011 highlight was the continued efforts of the two (2) staff members from the Technical Assistance Unit which received a "Certificate of Completion" for the CUPSS train-the-trainer series from the USEPA in SFY2010. These staffers continue to participate in CUPSS network calls and attend CUPSS training webcasts to keep current with enhancements to the CUPSS software. As a result, assistance with the technical, managerial, and financial capacity development continued efforts to introduce and educate systems to the concept of asset management and CUPSS software.

Unfortunately, one (1) of these staff members most-directly responsible for providing direct assistance to existing water systems transferred to another program within the Department at the beginning of 4QSFY2011. In addition, previous reductions in staff and a pending re-organization of the Division of Water Supply in 1QSFY2012 further impacted the Capacity Development Program's efforts to complete all the tasks outlined in the workplan. However, once the re-organization of the Department's Division of Water Supply is complete, a new staff person will be assigned Capacity Development Program responsibilities obtain his/her CUPSS certification, continue introducing the concept of asset management, and continue educating water systems about CUPSS.

The Capacity Development Program continues to advise systems of the potential to use the financial planning tools from the Boise State Environmental Finance Center (EFC) such as Rate Check Up, EFC Financial Dashboard, and Utility Budgeting Workbook. These efforts included joining the Syracuse EFC in presenting a "Financial Planning Workshop" course hosted by the New Jersey Water Association at 3 separate locations in April 2011.

8. Contingent on receiving management authorization to proceed, the program plans to spend \$250,000 of previously awarded grant money to engage one or more third-party contractors to assist in providing on-site capacity evaluations, on-site technical assistance, and rate setting advice in SFY2011. The program will execute, manage, and coordinate service contracts to achieve this goal.

a. The scope of work for a service contract to allow for an independent review of New Jersey's Capacity Development program was drafted in SFY2009 to address a requirement identified in the initial Capacity Development Strategy Support Document. If the independent review is approved, we anticipate such an evaluation can objectively identify the strengths and weaknesses of the program.

As indicated in the 2010 Annual Report, the Capacity Development Program prepared a scope of work for an independent review of the program and

obtained a cost estimate from the Cadmus Group. Both tasks were completed by May 2009 (4QSFY2009). However, the cost estimate provided by the Cadmus Group was significantly higher than initially projected, so the Division of Water Supply decided not to proceed with the analysis. Timing for this decision came after the SFY2011 Work plan was submitted in May 2010 otherwise it would not have been included in the work plan. No further reporting is required on this activity.

- b. A scope of work/request for proposal to conduct TMF site visits was sent to the Department of the Treasury in SFY2010. If the RFP is awarded, the selected contractor will conduct TMF capacity evaluation site visits; and subsequent asset management and rate setting development as identified with Program staff.**

In June 2010, the Capacity Development Program was informed by the Treasury Department that the Governor's office approved authorization of the Department's RFP designed to solicit bids for the conduct of site visits, TMF capacity evaluations, and asset management plan development and implementation by a third-party contractor. Therefore, the Capacity Development Program and Treasury Department intended to announce the RFP in 1QSFY2011 then receive, evaluate, and award the bids by the end of 2QSFY2011. However, the Capacity Development Program recognized the need to modify the scope of work, further refine the procedures, and update/enhance the various forms which would be integrated into the RFP. The draft "Technical, Managerial, and Financial Capacity Evaluation & Benchmark Criteria Assessment Form" contained in Appendix II of this report represents the most notable example of this effort. As a result, the RFP was not announced or awarded in SFY2011 and is now projected to be pursued in SFY2012.

As for the contract for rate setting assistance, this service would no doubt benefit those systems struggling with setting equitable rates that also cover the full cost of business. However, the Capacity Development Program needs to assess its ability to prepare, bid, and oversee another contract for services and determine if alternative means are available (e.g., refer systems to existing non-profits) before it commits to this activity.

In addition, a contract for services to replace and enhance the previous Engineering Initiative Assistance contract overseen by the Drinking Water State Revolving Fund (SRF) Unit was completed in SFY2011. This contract with New Jersey Water Association provides funds and assigns engineers for the design and permitting of system improvements sought by Drinking Water State Revolving Fund loan applicants. Although the funds for the contract services are provided through the Small System Technical Assistance Grant,

the Capacity Development Program will inform systems on the 2010 Strategy List about the availability of the contract services. This contract will continue to cover the “soft” costs and preserve the systems’ limited funding source alternatives for construction, operation, and maintenance of infrastructure needed for compliance.

9. Process technical, managerial, financial evaluations consistent with applicable State regulations (N.J.A.C. 7:10-13) for new community water systems, and non-transient, non-community water systems as identified by the NJDEP and/or County Environmental Health Act (CEHA) agencies. This will be performed on an ongoing basis.

The Department added one (1) new community water system to its inventory of public water systems during the period of July 1, 2010 through June 30, 2011. This system was reclassified from a transient non-community water system to a community water system.

New Jersey added eighteen (18) non-transient non-community water systems to its inventory of public water systems during the period of July 1, 2010 through June 30, 2011. Five (5) of the eighteen (18) systems required and received TMF approval under NJ Safe Drinking Water Act regulations at N.J.A.C. 7:10-13. Two (2) of the eighteen (18) are pending TMF approval by the Department. The remaining eleven (11) systems did not meet the definition of “new system.” Please refer to Tables 1 and 2.

10. Arrange for seminars, workshops, and/or webcasts to provide training on how to evaluate and develop technical, managerial, and financial capacity; implement asset management planning, utilize asset management tools such as CUPSS; and obtain stakeholder input on the revised capacity development strategy and capacity development benchmark document.

The Capacity Development Program provided training and obtained stakeholder involvement during presentations given at 5 separate public forums:

- Safe Drinking Water Course at Rutgers University, New Brunswick, NJ in January 2011,
- New Jersey Section of the American Water Works Association Annual Conference in Atlantic City, NJ in April 2011, and
- 3 separate New Jersey locations for the “Financial Planning Workshop” course hosted by the New Jersey Water Association in April 2011.

Reporting Criteria

In this Section of the Report, the Department has considered and responded to the Memorandum from Cynthia C. Dougherty, Director, Office of Ground Water and Drinking Water, USEPA, Washington, D.C. dated June 1, 2005 and the questions highlighted in the prepared "Reporting Criteria for Annual State Capacity Development Program Implementation Reports" as follows:

- **Has the State's legal authority (statutes/regulations) to implement the New Systems Program changed within the previous reporting year?**

The Department's regulations (N.J.A.C. 7:10-13) pertaining to the requirements of technical, managerial, and financial (TMF) capacity for new community and non-transient non-community water systems were readopted without changes effective April 30, 2010. These rules will expire April 30, 2017.

- **Have there been any modifications to the State's control points? If so, describe the modification and any impacts these modifications have had on implementation of the New System's program.**

No changes have occurred in the past year. In 2006, the Department made a modification to one the State's control points: the Department began to issue PWSID identification numbers to new non-transient non-community water systems that commenced operation but have not satisfied the TMF requirements. This change allowed the Department to receive and process monitoring data for compliance evaluation purposes during the TMF review. Typically, when the Department assigns a PWSID number, the system is permitted to commence operation only after satisfaction of the TMF requirements. The limited application of this change has not adversely affected the Program.

- **Indicate whether any new system approved within the past three years under the Capacity Development Program has been on any of the annual Significant Non-Compliers (SNC) lists.**

The Department has recently reviewed the status of all new community and non-transient non-community water systems which received TMF approval since 2005, and none of these systems are currently on the SNC list.

- **Regarding the State's approved existing systems strategy, which programs, tools, and/or activities were used, and how did each assist existing public water systems in acquiring and maintaining TMF capacity?**

The Department has observed improvements in public water system compliance and attributes this improvement to improved data management capabilities and the

successful implementation of the efforts and mechanisms under the Capacity Development Program, the Enforcement Program, Small Water System Technical Assistance Program, and Operator Certification Program. The Capacity Development Program is making progress in addressing non-compliance which continues to promote TMF capacity.

The significant elements that have brought about a higher level of compliance are detailed in the Governor's Report for calendar year 2008 and include:

- Zero Tolerance Policy;
- Operator Certification Program (extended to non-transient non-community water systems);
- Monitoring Schedules more readily available through DEP's website (and in the last year via the Drinking Water Watch application);
- Technical Assistance by the Department;
- Violation evaluation;
- Improved data management;
- Maintenance of an accurate inventory of systems and the status/appropriateness of violations;
- Implementing the activities of the Capacity Development Strategy.

In SFY10, the Department began requiring water systems to submit drinking water data electronically through the Department's Electronic Environmental (E2) Reporting System. Certified drinking water laboratories must submit the data on behalf of the water systems. Monitoring and reporting compliance has increased as a result of this reporting requirement.

- **How has the State continued to identify systems in need of capacity development assistance?**

The Department continues to identify systems in need of capacity development by preparing a Strategy List which identifies and prioritizes those public water systems most in need of capacity development. The Strategy List also enables the Department to prioritize the Program's resources for performing TMF capacity evaluations and providing assistance.

The first strategy list was compiled in December 2001 from a review of the compliance status during the preceding 18-month timeframe from July 2000 – December 2001. The second strategy list was compiled in February 2004 from a review of the compliance status during the 18-month timeframe of January 2002 – July 2003. An Interim 2007 Strategy List was developed as reported in August 2007. The list included high priority systems from the 2001 and 2004 lists that remained unresolved and out of compliance at that time. Additionally several systems, such as Sea Village Marina, were added based on staff's knowledge of the

system. This list was adopted as the Final 2007 Strategy List as indicated in the SFY2008 Annual Report. The status for each of the 39 public water systems on the Final 2007 Strategy List is provided in Appendix I of this report.

The 2010 Strategy List identifies 66 community and non-community water systems as High priorities for receiving assistance from the Program to develop their TMF capacity. This list was compiled in July 2010 from a review of the compliance status during the 18-month timeframe of January 1, 2008 – June 30, 2009 and includes systems identified by referrals from the compliance, permitting, enforcement, and technical assistance bureaus within the Department.

- **What was the State's approach in offering and/or providing assistance if statewide public water systems capacity concerns or capacity needs have been identified?**

The Capacity Development Program continues the process of performing background research; conducting TMF capacity evaluations and site visits; developing improvement plans; and helping systems implement those improvement plans. Staff also facilitated meetings among system representatives (e.g., owners, managers, licensed operators, and consulting engineers), regulatory agencies (e.g., enforcement inspectors, compliance managers, and permit reviewers), and/or representatives from other public water systems to identify/evaluate alternatives and approaches for developing system capacity. During this process, the Capacity Development Program relayed information on available tools and resources and provided training sessions at numerous locations and forums.

In order to improve water system operation, the Department identified drinking-water related training needs for small water system owners and operators. By contract with the New Jersey Water Association, 17 training sessions were held in the past year to provide assistance to small water systems (those serving less than 10,000). One hundred thirty (130) small systems were represented at these sessions. In addition, a contract with Rutgers University provided for a 50% tuition subsidy for drinking water-related training courses from July 1, 2010 to June 30, 2011. In that timeframe, 29 training courses were held. Four hundred twenty three (423) operators attended at the reduced rate. The Department initiated the current contract with Rutgers University in FY2010 and plans to renew this contract in FY2013. The Department also plans on renewing the current training agreement with New Jersey Water Association.

Monitoring schedules for all 3,950 public water systems continue to be available through the Division of Water Supply's Drinking Water Watch application. https://www11.state.nj.us/DEP_WaterWatch_public/index.jsp. These schedules are continually updated based on population changes, treatment installation compliance status and error corrections. These schedules benefit the Capacity Development

program because they inform the water systems regarding the type of compliance monitoring required and the associated sampling frequencies which help the systems maintain compliance. This tool benefits both the community water systems and non-community water systems.

The program has developed an intensive audit review of lead and copper compliance, especially monitoring and public education requirements, partially in response to USEPA audit activities. For the period of July 1, 2010 to June 30, 2011, no audit review processes were performed because of other priorities. Instead, some water systems' sampling pools and consumer notifications were reviewed and the audit review will resume in SFY2012.

In SFY12, the Department plans to spend more time investigating rate setting and asset management programs for community water systems in order to assist water systems determine full cost pricing for their water.

- **If the State performed a review of implementation of the existing systems strategy, discuss the review and how findings have been or may be addressed.**

The Program conducted a review of the process used to develop its Strategy List for existing systems in SFY2010 as discussed in the Work Plan Activities section of the 2010 report as well as Appendices I and III of the 2010 report.

- **Did the State make any modifications to the existing system strategy?**

The Capacity Development Program intends to use the final version of the draft "Technical, Managerial, and Financial Capacity Evaluation & Benchmark Criteria Assessment Form" contained in Appendix II of this report. This form represents the only modification to the Program during SFY2011. The form serves as a companion document to the Criteria and Benchmarks for Technical, Managerial, and Financial (TMF) Capacity document previously submitted as Appendix IV of the 2010 Annual Report. Stakeholder input from the Clean Water Council of New Jersey is directly responsible for the decision to create and format the form in its current version. The Capacity Development Program intends to continue upgrading and enhancing the form for use by staff and its contractor (pending award of the RFP previously discussed). The Capacity Development Program also intends to promote the use of this form as a self-assessment tool for systems that are not identified for capacity development assistance under the approved Capacity Development Strategy.

The Department is continuing with a previous Strategy modification to prepare a new Strategy list once every three years. This adaptation in preparing the Strategy List will continue and allows efforts regarding the TMF evaluation and improvement process to be implemented with more efficiency. This modification favorably affects

the implementation of the Program by focusing efforts on TMF evaluations and technical assistance.

APPENDIX I

**CAPACITY DEVELOPMENT PROGRAM
STATUS OF ACTIVITIES FOR SYSTEMS ON
2010 STRATEGY LIST**

STATUS SUMMARY FOR HIGH PRIORITY COMMUNITY WATER SYSTEMS			
<u>PWSID#</u>	<u>PWS NAME</u>	<u>INITIAL REASON LISTED</u>	<u>CURRENT STATUS/PLAN</u>
NJ0108021	SEA VILLAGE MARINA	Listed in 2007. Ongoing radionuclide (gross alpha) maximum contaminant level (MCL) violations and exceedances of NJ secondary standards for sodium and total dissolved solids (TDS). Lead and copper treatment never permitted as final. Only one well that may be also ground water under the influence of surface water (GWUI). Inadequate storage and auxiliary power. Technical, managerial and financial (TMF); ownership; and legal problems.	Capacity Development (CD) Plan recommends connection with NJ American Water (NJAW). Bankruptcy continues to impede State Revolving Fund (SRF) loan eligibility. Deputy Attorneys General (DAG) & Southern Enforcement have requested court to uphold requirement to comply with Administrative Consent Order (ACO), which would require new owners to use alternate funding source. NJAW master permit expired; new permit application submitted 10/28/10; technical deficiency issued 12/8/10; and the Department's (NJEMS) database system shows that the Bureau of Water System Permits and Well Permits (BWSWP) has completed technical review with permit approval still pending.
NJ0112002	BLACK HORSE MANOR	Listed in 2007. Lead and copper Action Level Exceedances (ALE) & subsequent Monitoring and Reporting (M/R) violations. Financial problems.	Inadequate source and storage corrected via construction/operation of new well & facilities (storage waiver granted as condition 18 to WCP100001). Improved communications with regulators importance of financial capacity for ensuring regulatory compliance and the long-term viability of the water system still need to be addressed. Most recent communication stressed importance of org chart, job descriptions, policies/procedures, and submitting application to BWSWP to make odor control treatment permanent before extended temporary treatment approval expires.
NJ0248001	RAMSEY WATER DEPT	Arsenic MCL violations (see PEA080010)	Received SRF loan to install required treatment which was constructed and in use on 12/17/09 (permit WCP060001). No TMF Capacity Evaluation conducted to date because the approved CD Strategy calls for systems of this size (>10,000 population) to be approached after smaller systems. Review of NJEMS indicates some public notice violations related to the previous MCL violations. Internal discussion will be necessary to determine the need for a pursuing a TMF evaluation approval.
NJ0251001	RIDGEWOOD WATER	Previously listed in 2001, 2004 and 2007.	Long-term TMF capacity problems but multiple visits, meetings, and follow-up activities have resulted in progress in numerous areas such as ground water under the direct influence of surface water (GWUDI) testing on source wells, repairs to well houses, and initiatives to develop O&M manual, enhance GIS asset inventory, and integrate it into an asset management plan

STATUS SUMMARY FOR HIGH PRIORITY COMMUNITY WATER SYSTEMS			
<u>PWSID#</u>	<u>PWS NAME</u>	<u>INITIAL REASON LISTED</u>	<u>CURRENT STATUS/PLAN</u>
			using SEMS Software Suite. Much more work still required. Department needs to issue formal comments on latest version of the Treatment System O&M Manual provided electronically on 3/13/11. System has shown vast improvement. Bureau to determine if any any further revisions/improvements are warranted. System needs to contact us about status on addressing our 3/25/10 comment letter on Strategic Planning - Master Business Plan dated 7/09.
NJ0301001	BUTTONWOOD MOBILE HOME PARK	Referred to CD Program by Southern Enforcement and Safe Drinking Water Implementation for deficiencies in all TMF areas. Aging infrastructure, poor O&M, no licensed operator, not issuing CCRs, no storage (2 wells & auxiliary power, but no waiver requested/issued), no meter to measure flow, etc.	System has since hired a licensed operator, but overall management & financing continue to be inadequate. No TMF capacity evaluation conducted to date. Need to contact system and schedule initial visit.
NJ0303001	BORDENTOWN WATER DEPARTMENT	Radionuclide contamination in all 4 source wells with Gross Alpha (GA) & Ra226/228 MCL violations in 2008. Improper chlorination/post-disinfection.	Communicated extensively with BSDWI, BSWWP, BWA, NJGS, SBWCE, BER, & NJPDES permitting. Operational measures (well 5 last on/first off) and incidental treatment of radionuclides by greensand filters have brought system back into compliance with GA & Ra226/228 MCLs. Permit WCP100001 approved 9/10 to address disinfection TP issues. System pursuing plans to install test wells to act as new/replacement wells with intent to have these sources be free of radionuclides. Issued 4/13/11 letter advising system on items to consider while implementing test well project. A draft of the Major Modification for WFS Permit NJ0028649 was sent to Bordentown on 4/11/11. Need to follow-up and schedule TMF capacity site visit to determine level of concern for managerial and financial capacity. O&M manual prepared by consulting engineer - while extensive there is a need to determine extent of licensed operator (or LO) involvement in preparation and confirm short/long-term LO succession planning.

STATUS SUMMARY FOR HIGH PRIORITY COMMUNITY WATER SYSTEMS			
<u>PWSID#</u>	<u>PWS NAME</u>	<u>INITIAL REASON LISTED</u>	<u>CURRENT STATUS/PLAN</u>
NJ0339001	NEW LISBON DEVELOPMENTAL CENTER	Listed in 2007. Lead action level exceedances. Numerous monitoring and reporting violations (late & non-submittal).	Efforts from 2008 to present include site visits, meetings, & calls with representatives of this State-run facility, the licensed operator, compliance manager, enforcement inspector, & permitting staff. Persistent efforts resulted in submission of new CCTR for Lead problem & permit application WCP10001 for pH adjustment & disinfection treatment units previously installed without approval. CCTR approved by BSDWI & permit application approved by BWSWP on 7/14/10 & 10/21/10, respectively. Poor managerial capacity issues persist. Met with system on 3/2/11 to discuss CCTR progress report, organizational chart/job descriptions, storage tank rehab project, well 3 decommissioning/ new well project, and installation of pipe for 5 minute Cl2 contact time. Continued persistence/follow-up warranted.
NJ0436007	WINSLOW TWP DMU	Listed in 2007. Ongoing radionuclide MCL violations at various points of entry. Volatile organic chemical (VOC) MCL violations at some points of entry.	Efforts to date involved monitoring progress of system's efforts to comply with ACO effective 11/21/06 which requires operation of treatment facilities and meet MCLs for Gross Alpha and Radium for TP001003 (Well #1) & TP006021 (Well #8). Construction done at TP006021 & sampling performed to show treatment works. System wants to terminate this ACO. 2nd ACO became effective in 1/11 for TP007025 now exceeds Ra 226/228 MCL of 5 pCi/L and TP003010 where levels above MCL are detected, but does not yet have RAA exceedance. See 1/11 ACO for more details. Permit WCP110003 submitted 3/2/11 in compliance with ACO.
NJ0601001	BRIDGETON CITY WATER DEPT	Listed in 2007. Ongoing radionuclide MCL violations at various points of entry.	Efforts to date involved monitoring progress of system's efforts to correct Gross Alpha & Ra 226/228. Project to route contaminated water from wells 18 & 19 to newly constructed treatment plant TP015040 complete and units operational on 5/19/09. Monitoring shows potable water from TP015040 is below Gross Alpha & Combined Radium MCLs. The 12/14/07 ACO was terminated on 5/19/09. Additional work outside of ACO per permit WCP090002 for radionuclide treatment on well 13 which currently meets MCL, but projected to exceed MCL in near future. ARRA stimulus funds secured to rehab existing 2.5 million gallon ground storage tank and construct 0.75 million gallon tank.

STATUS SUMMARY FOR HIGH PRIORITY COMMUNITY WATER SYSTEMS			
<u>PWSID#</u>	<u>PWS NAME</u>	<u>INITIAL REASON LISTED</u>	<u>CURRENT STATUS/PLAN</u>
			Tank construction in progress. Concerns over system having a licensed operator of the proper license assigned to the system recently corrected.
NJ0612001	BAYSHORE MOBILE HOME PARK	Listed in 2007. One well with nitrate MCL violations and second well with extremely high sodium levels exceeding the NJ secondary standards.	Permit WCP090001 issued to authorize construction of improvements needed to bring system into compliance. NJPDES Treatment Works Approval (TWA) also obtained to address wastewater issues associated with TP and residents. While a CCC was submitted, the facilities were not constructed in accordance with the approved WCP090001 and the matter has been referred to enforcement. Continuing problems with failing septic. Outstanding Department action items involve issuing a storage waiver and completing review of the updated/ revised O&M manual. Managerial Capacity issue is the "bad" relationship between park residents & the owner who is trying to re-coup costs by installing meters and raising rent. Radiation licensing in progress through Bureau of Environmental Radiation (BER). Situation will require continued oversight/follow-up until all issues resolved and storage waiver approved.
NJ0613004	UPPER DEERFIELD TWP WATER DEPT	Gross Alpha and Radium 226/228 MCL violations.	No Capacity Development Program activity to date.
NJ0614003	VINELAND WATER & SEWER UTILITY	Gross Alpha and Radium 226/228 MCL violations at multiple TPs & M/R violations.	No Capacity Development Program activity to date. See ACO effective 9/24/08 (NEA080001), SC1100001 on 6/17/10 inspection, and multiple Treatment Plant permits approved in 2008 & 2009 for more details.
NJ0614005	FAIRVIEW MANOR MHP	Volatile Organic Compound (TCE) MCL violations.	No Capacity Development Program activity to date. However, system has completed actions necessary to achieve compliance. For more details - see NEA080001 for ACO effective 1/23/09 & closed 3/23/09, SC1100001 for inspection on 4/30/10, and Permit WCP070001 approved 3/17/08 for required treatment which went into operation on 3/29/09. Use info to see if TMF is still warranted.

STATUS SUMMARY FOR HIGH PRIORITY COMMUNITY WATER SYSTEMS			
<u>PWSID#</u>	<u>PWS NAME</u>	<u>INITIAL REASON LISTED</u>	<u>CURRENT STATUS/PLAN</u>
NJ0811003	COLONIAL ESTATES	Listed in 2007. Ongoing radionuclide and mercury MCL violations.	ACO effective on 11/24/10 requires connection to MTMUA system by 11/30/11, and decommissioning of 2 wells 60 days later. Owners currently making arrangements to replace RSC resin in the meantime and are debating how to regulate water use - meters and billing for overages. This approach will keep Colonial Estates in the water business and needs to be resolved as project, which is being funded by SRF loan moves towards completion.
NJ1001301	VALLEY VIEW MANOR	Listed in 2007. Arsenic MCL violations.	System completed installation of arsenic treatment in 12/2010 per permit modification WCP100001 approved 6/3/10. TMF findings report & improvement plan issued 7/16/10 under WCD100001 details items addressed. Storage/auxiliary power deficiencies being addressed by relocating residents to new facility by 5/31/12 resulting in system being re-classified as NCWS which is not subject to these requirements. See NJEMS under WCD100001 & WCD110001 for more details. System has complied with instructions in my 2/24/11 letter (see 3/10/11 reply in file), except for providing revised O&M manual which I requested again via 4/13/11 email & letter.
NJ1007002	ROSEMONT WATER	Arsenic MCL violations	System completed installation of Isolux treatment per WCP080002 in 12/2009. Conducted TMF inspection in 12/2010 and issued TMF findings report & improvement plan on 3/9/11 (WCD110001). No reply to date. O&M manual from licensed operator and managerial capacity items need to be addressed.

STATUS SUMMARY FOR HIGH PRIORITY COMMUNITY WATER SYSTEMS			
PWSID#	PWS NAME	INITIAL REASON LISTED	CURRENT STATUS/PLAN
NJ1009001	FLEMINGTON WATER DEPARTMENT	Listed in 2007. Arsenic MCL violations.	Efforts limited to monitoring progress of system's efforts to install arsenic removal per ACO effective 4/28/08 & amended 8/26/08 which specifies a 3-phase compliance schedule - A) wells 5 & 7, B) well 1, & C) well 4. Required treatment plant permits WCP070001, WCP080001, & WCP080002 approved 8/31/07, 4/11/08, & 6/2/08, respectively. Permit WCP090002 approved 3/17/10 for well 6 (outside scope of ACO). Interconnections with NJAW, but no contract (see WCP090003 & SCI090001). Well 1 inactive since 8/09. Treatment unit for well 4 operational in 9/09, well 5 operational in 10/09, well 7 operational in 7/09. Wells 4, 5, & 7 continued MCL violations in 4Q2009 due to running annual average, but wells 4 & 5 returned to compliance in 1Q2010. Well 7 continued MCL violation in 1Q2010 and advised to determine if treatment is working. No further MCL violations noted in NJEMS.
NJ1013001	HAMPTON BOROUGH	System lacks firm capacity, only has 1 operational well, and no approved contract for the interconnection with Glen Gardner.	No Capacity Development Program activity to date.
NJ1024002	HUNTERS GLEN	System recently classified as CWS and did not meet rule requirements.	Subsequent legal involvement with DAG led to reversal of decision and system re-classified as nonpublic system not subject to rules.
NJ1336308	LIBERTY ROYAL REHAB CENTER	Listed in 2007. Acute coliform MCL violations.	Initial TMF capacity evaluation site visit conducted in 9/08. Follow-up visit conducted 12/22/09 in conjunction with Central Water Enforcement annual inspection. Efforts focused on re-evaluating connection w/ NJAW (PWSID# NJ1345001). Sent system letter with NJAW contact info on 2/9/10. Issued Findings Report/Improvement plan for TMF deficiencies on 2/17/10. Follow-up letter sent 3/2/10 and spoke with owner several times in 3/10, NJAW on 3/5/10, & local fire marshal on 3/19/10. Efforts resulted in system securing engineer in 4/10 to develop plan for connection. Contractor secured to initiate connection and work started in 4Q2010. Stopped due to inclement weather, but resumed in beginning of 4/2011. Central Water Enforcement & BSDWI informed of status and will follow-up to deactivate system once connection is confirmed.

STATUS SUMMARY FOR HIGH PRIORITY COMMUNITY WATER SYSTEMS			
<u>PWSID#</u>	<u>PWS NAME</u>	<u>INITIAL REASON LISTED</u>	<u>CURRENT STATUS/PLAN</u>
NJ1414009	MOUNTAIN SHORE WATER SUPPLY	Referred to program by Northern Water Enforcement. Facility lacks auxiliary power, distribution system is antiquated, only 1 well. Financial problems.	System intends to connect with Jefferson Twp. Water Department, but does not have the capital to pay for fees and connection costs. No Capacity Development Program activity to date, but recommend this system be given priority for approaching next/soon or see if NJWA could assist them in securing grant for connecting to adjacent water system
NJ1414013	SUN VALLEY PARK	Listed in 2001, 2004, & 2007. Using an unapproved source. Undersized mains and inadequate storage. Lacks adequate firm capacity to meet peak daily demand.	Initial TMF visit on 06/12/09. All subsequent follow-up activities focused on assisting owner with submission of required permit applications and discussion of best alternative for developing long-term financial viability of the system. Participated in efforts on review of permit requirements, storage issues, ACO compliance schedule, & actively pursued review of Highlands Protection & Planning Act (HPPA) exemption by Div. Watershed Mgmt resulting in HPPA exemption approval on 4/16/10. This decision is first milestone in project schedule. ACO effective 9/8/10 and system is complying with schedule, but BWSWP permit review delayed due to staffing issues.
NJ1421305	GREEN BRIAR RESIDENTIAL HEALTH	Referred to program by Northern Water Enforcement. Coliform violations require installation of chlorination, permit is technically deficient. Facility has 1 source, lacks firm capacity, adequate storage, and auxiliary power.	No Capacity Development Program activity to date, but permit WCP090002 was approved 3/3/10. Recommend this system be given priority for approaching soon or see if NJWA could assist them in securing grant for an alternative drinking water supplier.
NJ1427002	MOUNT OLIVE - GOLDMINE ESTATES	Listed in 2007. Well no. 1 does not recover during high demand. Well no. 2 (irrigation well) not permitted for potable use. Used tanker for temporary storage in 2005 & 2006.	Efforts limited to monitoring progress of system's efforts to comply with ACO effective on 2/2/10. Met with BWSWP, BWA, and BSDWI staff and contacted Northern Water Enforcement staff on status/issues. Multiple SDW & BWA permit applications approved, under review, or pending. Interconnections & permitting of unapproved source will address supply and storage requirements. Recommend continued monitoring only.

STATUS SUMMARY FOR HIGH PRIORITY COMMUNITY WATER SYSTEMS			
<u>PWSID#</u>	<u>PWS NAME</u>	<u>INITIAL REASON LISTED</u>	<u>CURRENT STATUS/PLAN</u>
NJ1438001	CLIFFSIDE PARK WATER ASSOC INC	Listed in 2007. Exceedances of NJ secondary standards for iron and manganese. Recent lead and copper Action Level exceedance. Corrosion control treatment system in use not permitted. Undersized mains and inadequate storage.	Program has attended multiple meetings with system, local officials, Washington Township MUA (WTMUA) and/or USDA. Continued assistance in implementing plans for WTMUA to acquire/operate the Cliffside Park system. WTMUA, US Department of Agriculture (USDA) and CD Program continue to persuade home owner's association to meet and formalize plans for alternate locations for new well(s) in lieu of treatment and disconnection of 5 homes on other side of river. CD Program and USDA both issued letters in 1Q2011 relaying displeasure with commitment and potential to lose grant money, respectively.
NJ1511011	LUXURY COMMUNITY MOBILE HOME PARK	Listed in 2007. Notice of Violation issued 3/27/07 for various violations	System returned to compliance for past TCR MCL violations on 12/9/08. Department performed initial TMF capacity evaluation site visit on 5/18/10 while conducting new well test - new well is operational & auxiliary power is installed (see WCP09003 & WCP100001). Deficiencies with sources of supply, backup power, and storage corrected by completing this work. A new well is proposed as CCTR for Cu ALEs. TMF Findings Report/ Improvement Plan not issued and storage waiver request submitted to the Bureau still needs to be reviewed and approved.
NJ1521001	OCEAN GATE	Referred to program by BSDWI. Mains are 80+ years old, iron problems within the distribution system, and no financial capacity to maintain system.	No Capacity Development Program activity to date.
NJ1714003	BANCROFT NEURO HEALTH CENTER	Combination of Cu ALEs, M/R violations, and small system size placed this facility on list.	Permit WCP080001 approved 4/30/10 covers redesignation of Well No. 2, installation of 1,500 L.F. of 6 inch CLDIP water main, a pump station, two 16,650 gallon storage tanks, two Greensand Plus filters and pre & post chlorination. Permit WCP10001 approved 12/7/10 provides for a new source of water supply comprising Campus Well No. 3, a replacement for Well No. 1. ACO effective 5/20/10 provides compliance schedule for all facilities to be constructed by 6/30/11.
NJ1904004	NORTH SHORE WATER ASSOCIATION	Referred to program by Northern Water Enforcement. Facility lacks auxiliary power, distribution system is antiquated, only 1 well.	Program recently contacted system in attempt to schedule and conduct TMF site visit. System is aware of situation and options, but has no community support or involvement with efforts to improve system

STATUS SUMMARY FOR HIGH PRIORITY COMMUNITY WATER SYSTEMS			
<u>PWSID#</u>	<u>PWS NAME</u>	<u>INITIAL REASON LISTED</u>	<u>CURRENT STATUS/PLAN</u>
		Financial problems. Leaking oil tank contaminated well and treatment was installed by Spill Fund.	infrastructure. In the process of seeing if NJ Department of Community Affairs CBDG program might be able to work with USDA-RD and NJDEP-DWSRF to leverage grants and loans to possibly connecting this system with Strawberry Point (1904006) and Willor Manor (1904008 - see below). This approach provides a network of 81 connections with 3 source wells among them, which may have too many obstacles to be viable solution.
NJ1904008	WILLOR MANOR WATER CO	Referred to program by Northern Water Enforcement. Facility lacks adequate storage and auxiliary power, distribution system is antiquated, only 1 well. Financial problems.	Extensive efforts afforded by DWSRF program to assist this system in the past including use of Engineering Assistance Contact to cover planning, design, and permitting. Permit WCP090001 was approved on 9/25/09 and provides for installation of 1,900 L.F. of 6 inch DIP water main replacing 1 and 3 inch water mains, well rehabilitation by raising the well casing, new booster pump station comprised of one 75 GPM and one 20 GPM booster pumps, a new 5000 gallon ground pneumatic water storage tank, and disinfection by a calcium hypochlorite briquette feed system. System opted not to close on DWSRF loan and is not pursuing alternate funding to construct this project. Previous program efforts included follow-up with NJWA and asking RCAP Solutions to speak with system. Resident suggested in 8/2010 letter that it may be preferable to see if each homeowner could install a private well and the water company be dissolved.
NJ1912007	ARTHUR RD WELL ASSOC	DWSRF & Northern Water Enforcement referred to program to oversee/monitor connection to Hopatcong.	ACO effective 3/9/11 requires execution of Developer's agreement with Hopatcong by 4/1/11, connection within 90 days of Hopatcong pipes being accessible, and decommissioning their well(s) 90 days after connection. Recommend monitoring only.

STATUS SUMMARY FOR HIGH PRIORITY COMMUNITY WATER SYSTEMS			
<u>PWSID#</u>	<u>PWS NAME</u>	<u>INITIAL REASON LISTED</u>	<u>CURRENT STATUS/PLAN</u>
NJ1920001	STILLWATER WATER DISTRICT 1	Listed in 2007. Ongoing radionuclide (gross alpha) MCL violations.	ACO effective on 4/9/09 and closed 2/11/11. TMF site visit - 5/29/09, Fndgs Rpt/Imprvmt Plan - 7/7/09. Identified - evaluate wells for GWUDI, prioritize standpipe rehab project, decide fate of inactive wells/other infrastructure upgrades. Helped with treatment/permit issues & ARRA funding. WCP090001-Radium removal on Wells 5&5A (TP002007) approved 8/26/09 - operating 9/17/10. Attended 1/12/10 board mtg to review improvement plan & discuss AM w/ CUPSS. See 2/9/10 email and 2/25/10 letter to LO for details. 6 main issues: 1) GWUDI sampling - 3/11 results show Well 5 needs MPA. Must complete GWUDI test for other wells. 2) Abandon test well by 12/11. 3) Connect Well 2 to TP002007: 5-yr schedule w/ planning in 2011 & start in 2012. 4) O&M manual - guidance provided in 3/11. 5) Standpipe rehab/paint - public mtg held 3/11 to present proposed rate hike & allow project start late 2012. Rate increase also to rebuild Capital funds depleted by TP002007 project. 6) AM - CUPSS inventory started w/ completion by 6/11.
NJ1922008	VERNON WATER CO	Referred to program by Northern Water Enforcement. Facility lacks auxiliary power, water outages due to booster pump failure and main breaks. Well #11 exceeds Uranium MCL. Financial problems.	Program efforts revolved around communication with Aqua after they purchased system in late 2010 and initiated needed infrastructure repairs. Recommend no further action or monitoring progress.
NJ1922009	VERNON WATER CO OAK HILL	Referred to program by NBWCE. Facility lacks auxiliary power and adequate storage. Financial problems.	Program efforts revolved around communication with Aqua New Jersey after they purchased system in late 2010 and initiated needed infrastructure repairs. Recommend no further action or monitoring progress.
NJ1922010	THE VILLAGE OF LAKE GLENWOOD	Referred to program by Northern Water Enforcement. Firm capacity being re-evaluated by Department. Portion of distribution system in "Lower system" is above ground. Undersized mains exist.	No Capacity Development Program activity to date.

STATUS SUMMARY FOR HIGH PRIORITY COMMUNITY WATER SYSTEMS			
<u>PWSID#</u>	<u>PWS NAME</u>	<u>INITIAL REASON LISTED</u>	<u>CURRENT STATUS/PLAN</u>
NJ1922014	GREAT GORGE TERRACE ASSO	Listed in 2007. Significant ongoing radionuclide MCL violations.	Extensive efforts by Northern Water Enforcement, BSDWI, and BSDWTA resulted in execution of ACO on 3/14/11 that calls for connection to UW-Vernon Valley (1922026). SRF loan will fund project and authorization to award the contract was issued by MF&CE on 3/31/11. BPU aware of situation and will try to expedite the franchise expansion approval process. Main extension permit already obtained by UW-Vernon Valley. GGTC should complete the construction of the connection by 8/15/11 per the ACO.
NJ1922028	VALLEY VIEW APTS	Listed in 2004 & 2007. Uranium MCL violations at two points of entry.	Extensive efforts by Northern Water Enforcement, BSDWI, BSDWTA resulted in execution of ACO on 2/3/11 that calls for connection to United Water by connection to UW-Vernon Valley (1922026). BPU visit the site on 3/4/11 as part of franchise expansion approval process. No main extension permit required and construction will begin upon BPU awarding the franchise area expansion to UW-Vernon Valley.

STATUS SUMMARY FOR HIGH PRIORITY NON-COMMUNITY WATER SYSTEMS

PWSID#	PWS NAME	INITIAL REASON LISTED	CURRENT STATUS/PLAN
NJ0105323	ST MARYS SCHOOL	Referred to Program by BSDWI. Nitrate MCL violations.	No Capacity Development Program effort to date. TP001001 has nitrate/inorganics removal: cation exchange (I459) & Corrosion Control: lime addition - calcite filters (C501). MCL violations continue - suggests possibly an improper design and/or O&M approach.
NJ0105360	SAINT MARY'S SCHOOL - WELL 2	Referred to CD Program by BSDWI. Lead & Copper ALEs.	Water Quality issues were addressed, and TMF Approval issued by the BSDWTA. No further action necessary.
NJ0108352	DOT FAA ATL BLD 33 & BLD 208	Listed in 2007. Lead ALEs. Monthly coliform MCL violations.	Preliminary TMF capacity evaluation site inspection on 11/10/09. Subsequent follow-up research shows full TMF review unnecessary. Facility received Environmental Stewardship Certification in 8 categories including having an Environmental Management System and water reduction. SDWIS shows no violations since 4Q2007 and return to compliance in 3Q2008. BSWCE & BSDWI concur system has TMF Capacity. Need to follow through with plan to remove from Strategy List.
NJ0109302	ESTELL MANOR SCHOOL	Referred to Program by BSDWI. Nitrate MCL violations, Lead & Copper ALEs, Barium MCL, & Sodium >100 ppm.	No Capacity Development Program effort to date. TP001001 has nitrate/inorganics removal: cation exchange (I459) & Corrosion Control: lime addition - calcite filters (C501).
NJ0317303	BURLINGTON CTY SPEC SERVICES	Coliform MCLs.	No Capacity Development Program effort to date. TP001001 now has disinfection with post hypochlorination (D421) and softening: hardness removal - cation exchange (S459)
NJ0436481	DONIO TRUCKING	Referred to Program by BSDWI.	No Capacity Development Program effort to date. Previous assistance from SWSTA Program. TP001001 has corrosion control: pH adjustment (C740). ALEs in late 2009 & early 2010 do not indicate return to compliance, but no new ALEs in 2nd half 2010 or 1st half 2011. Bureau to evaluate if TMF is still needed.
NJ0603301	CUMBERLAND CNTY TECHNICAL ED	Referred to Program by BSDWI. Nitrates & Radionuclides.	No Capacity Development Program effort to date. No nitrate MCL violations since 4Q2007, but Radionuclide MCLs continued into 4Q2010. TP001001 only corrosion control by silicate inhibitor (C449).
NJ0722304	THE MANOR REST	Arsenic MCLs.	No Capacity Development Program effort to date. TP001001 - hardness removal: cation exchange (S459), inorganics removal: cation exchange (I459), & UV disinfection (D720)

STATUS SUMMARY FOR HIGH PRIORITY NON-COMMUNITY WATER SYSTEMS

PWSID#	PWS NAME	INITIAL REASON LISTED	CURRENT STATUS/PLAN
NJ1008300	ALBERT ELIAS RESIDENTIAL GROUP	Listed in 2007. Lead action level exceedance. Acute coliform MCL violation.	TMF capacity site visit - 11/20/09. Findings Report/Improvement Plan - 12/4/09. Reviewed 1/6/10 reply on project designed to resolve technical capacity issues and issued comments on 1/15/10. System installed new well in 4/2010. Coordination efforts with system and permit, compliance, & enforcement offices continues. System plans to get construct/operate permit for new source in SFY2012 & complete project when funding is restored.
NJ1021337	MARINELLIS	Coliform MCL & Nitrate M/R.	No Capacity Development Program effort to date. TP001002 - corrosion control: pH adjustment (C740) & UV disinfection (D720). No MCL violations since 2008, Lower priority for TMF evaluation..
NJ1025300	STATE OF NJ SPRUCE RUN RECREAT*	Acute Coliform MCL & M/R violations.	No Capacity Development Program effort to date. TP001001- disinfection: Pre-hypochlorination (D423).
NJ1026301	ESC SCHOOL	Listed in 2007. Lead and copper ALEs. Arsenic MCL violation.	Program efforts involved site visits, follow-up, & coordination to help system obtain permit approvals & install treatment units for radium, arsenic, sodium, pH adjustment, and disinfection. See permits WCP080001 and WCP100001 for details. No formal TMF Findings Report/Improvement plan issued - efforts conducted via email and face-to-face. System is fully operational as of 11/1/10 & monitoring shows a return to compliance. Issue of T-3 licensed operator requirements (see ASD letter dated 8/11/10) resolved - Bill Stevens (T-3 #0008295) started on 9/14/10. A final version of the O&M manual should be completed and reviewed soon.
NJ1026318	MT. AIRY HAPPY TIME SCHOOL	Arsenic & Coliform MCLs.	No Capacity Development Program effort to date. TP002003 active on 3/12/2009 - inorganics removal: cation exchange (I459) & particulate removal: Filter (P348). System return to compliance on 4/26/10. Lower priority for TMF evaluation..
NJ1106328	WASHINGTON XING STATE PARK*	Acute Coliform MCL & M/R violations.	No Capacity Development Program effort to date. Using new well since 1/1/10 and TP001001 provides UV disinfection (D720). Return to compliance in 2009.
NJ1106355	KOOLTRONIC INC	Arsenic & Coliform MCLs with M/R violations.	No Capacity Development Program effort to date. System returned to compliance for both contaminants in 2009. Lower priority for TMF evaluation...

STATUS SUMMARY FOR HIGH PRIORITY NON-COMMUNITY WATER SYSTEMS

PWSID#	PWS NAME	INITIAL REASON LISTED	CURRENT STATUS/PLAN
NJ1106389	HOPEWELL VALLEY GC*	Listed in 2007. Arsenic MCL violations.	Conducted TMF capacity evaluation site visit on 5/14/10. Issued 6/1/10 letter confirming system implemented corrective action required by Mercer County Health Dept (MCHD) for Arsenic. Total Coliform problem identified after 6/1/10 letter was issued. Multiple follow-up activities conducted w/ system, MCHD, & BSDWI to investigate problem and determine course of action. Infrastructure deficiency (well construction) may be cause and issued 7/22/10 letter instructing system to decommission/replace existing well. Debate on prohibition to implement alternative (remove sinks, install hand sanitizers, & be deactivated as TNCWS) continues and system instructed to resolve with county/local health officials.
NJ1319459	GETTY STATION #00658*	Referred to Program by BSDWI. Repeated Coliform MCLs in 2010. Well head problems.	No Capacity Development Program effort to date. Old unpermitted well TP001001- Iron Removal: cation exchange (F459). Recommend follow-up either through CD or SWSTA program. Possible consideration may be given to installing a new well.
NJ1332351	MILLSTONE CTR*	Listed in 2007. Acute coliform MCL violations.	Initial TMF site visit conducted 9/25/08 with follow-up visit on 5/25/10. Findings Report/Improvement Plan issued on 6/17/10 indicating need to evaluate well for potential GWUDI & ensuring proper O&M of system as only TMF issues. System is initiated required sampling in 1QSFY2011. Turbidity level triggered MPA sampling, but concurrent well repair may have caused spike. Allowed resumption of physical/bacteria testing, but turbidity triggered MPA again. Need to evaluate further.
NJ1352321	BRIELLE HILLS BLDG #1&2	Referred to Program by BSDWI. Lead & Copper ALEs, M/R violations, and management problems prevent resolution.	No Capacity Development Program effort to date.
NJ1352322	BRIELLE HILLS CONDO ASSOC BLDG 8,9	Referred to Program by BSDWI. Lead & Copper ALEs, M/R violations, and management problems prevent resolution.	No Capacity Development Program effort to date.
NJ1352340	BRIELLE HILL CONDO-BLDG 3/4 & 5	Referred to Program by BSDWI. Lead & Copper ALEs, M/R violations, and management problems prevent resolution.	No Capacity Development Program effort to date.

STATUS SUMMARY FOR HIGH PRIORITY NON-COMMUNITY WATER SYSTEMS

<u>PWSID#</u>	<u>PWS NAME</u>	<u>INITIAL REASON LISTED</u>	<u>CURRENT STATUS/PLAN</u>
NJ1415301	LOTSA PASTA*	Listed in 2007. Coliform MCL	Background research performed in 6/10 shows this system has had ongoing coliform problems for the last 12 years, was fined in 2007, and continues to pay the fines today. Efforts confirmed system does not collect/report nitrate samples and has very intermittent monitoring & reporting. Initial contact in 1QSFY2011 showed little interest by owner for TMF capacity site visit. Did not pursue since prior enforcement action did not alter system compliance. Recommend matter be left to enforcement.
NJ1427400	SANDSHORE INDUSTRIAL CONDO ASSOC	Coliform MCLs.	No Capacity Development Program effort to date. TP001001 softening - hardness removal: cation exchange (S459) & disinfection: post-hypochlorination (D421). Return to compliance in 2009. Lower priority for TMF evaluation..
NJ1436329	PHILLIPS	Acute Coliform MCLs in early 2008	No Capacity Development Program effort to date. TP001001 - organics removal: GAC (O121). System return to compliance in April 2008. Should not have been identified for placement on 2010 list.
NJ1615390	OLD SCHOOL PUB*	Acute & TCR Coliform MCLs. M/R violations.	No Capacity Development Program effort to date. TP001001 - softening hardness removal: cation exchange (S459) & organics removal: GAC (O121). System return to compliance in 2008. Lower priority for TMF evaluation.
NJ1615412	PASSPORT CAFE/GREENWOOD LAKE AIRPT*		No Capacity Development Program effort to date. TP001001 provides UV disinfection (D720). Return to compliance in 12/09. Lower priority for TMF evaluation..
NJ1806329	SAINT GOBAIN PERFORMANCE PLAST	Arsenic MCLs & M/R violations.	No Capacity Development Program effort to date. TP001001 - softening hardness removal: cation exchange (S459), UV disinfection (D720), & organics removal: GAC (O121). Return to compliance in 5/09. Recommend talk to BSDWI - seems TMF no longer needed.
NJ1806343	SCPC BALLFIELD*	Referred to Program by BSDWI. Treatment problems. Acute Coliform & M/R violations.	No Capacity Development Program effort to date. TP001001-UV disinfection (D720), particulate removal GAC filtration (P355), & organics removal: GAC (O121)
NJ1924329	FRANKLIN SUSSEX AUTOMALL	Nitrate & Coliform MCLs.	No Capacity Development Program effort to date. TP001001 - softening hardness removal: anion exchange (S458), UV disinfection (D720), & particulate removal: cartridge filter (P341). Nitrate return to compliance in 3/10, but coliform monthly again in 2011. Internal discussions are necessary to determine if TMF is needed.

* Transient non-community water system





Appendix II

DRAFT TECHNICAL, MANAGERIAL, AND FINANCIAL CAPACITY EVALUATION & BENCHMARK CRITERIA ASSESSMENT FORM

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TECHNICAL CAPACITY

SOURCE – ALLOCATION/DIVERSION BENCHMARKS:

Score	Diversion & Number of Violations	Current Use/Demand	Future Use/Demand	Adequacy of plans to address issues
	Unauthorized; or authorized but permit limit exceeded ≥ 4 times in past 2 years or registration limit exceeded $\geq 3-4$ times in past 4 years	Unknown, unable to meet peak demand	Unknown	No or preliminary plans to develop policies/procedures to reduce demand/water loss, and secure increased diversion or identify alternate source(s). No plans to protect source(s).
	Authorized; permit limit exceeded 2-3 times in past 2 years or registration limit exceeded 2 times in past 4 years	Known, able to meet peak demand, but no backup source	Known, but unable to meet and permit process not underway for new, added or backup sources	Preliminary plans to develop policies/procedures to reduce demand/water loss, protect source(s), and secure increased diversion or identify alternate source(s) plans to secure increased diversion or alternate source(s) being evaluated or initiated
	Authorized, but permit limit exceeded once in past 2 years or registration limit exceeded once in past 4 years	Known, able to meet peak demand, permit process for backup source underway	Known, will be able to meet when new, added or backup source becomes operational	Policies/procedures implemented to reduce demand, water loss audit started, protect sources. plans to secure increased diversion or alternate source(s) being evaluated or initiated Plans complete and permit process underway for new, added or backup sources
	Authorized and did not exceed limit in past 4 years or N/A	Known, able to meet peak demand	Known and able to meet with no additional sources required	Viable “living” plans to protect all sources, reduce demand, control water loss, and/or routinely re-assess need for increased diversion or alternate source(s)

Circle one:







Comments (attach additional sheets if necessary):

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TECHNICAL CAPACITY

SOURCE INFRASTRUCTURE – WELLS, INTAKES, AND/OR INTERCONNECTIONS*:

Score	Basic Knowledge, Information, and Documentation	Component Condition	Component "Criticality"/ Risk Assessment	Auxiliary Power	Raw Water Quality**	Adequacy of plans to address issues
	Unknown	Unserviceable, new or replacement required	Sole source of supply, no firm capacity, high or unknown risk of failure	None	Confirmed fecal coliform or E. Coli; GWUDI status confirmed; confirmed toxic contamination at wellhead	No plans
	Little knowledge, no permit, design does not meet public/ potable supply specifications	Poor, major repairs or rehabilitation required	Sole source of supply, no firm capacity, moderate risk of failure, permit application being prepared for backup source	auxiliary power via contract with off-site vender	Routine total coliform, no fecal coliform or E. Coli; GWUDI needs to be determined; GW KCSL within WHPA Tier 1 or 2, no contamination at wellhead	Plans to assess risk, ID need for repair/rehab/replace, add to asset inventory, map location, enhance O&M, respond to source water quality, developed but not implemented
	Known, permit exists, design does not meet public/ potable supply specifications	Fair, minor repairs with enhanced O&M	Backup source exists but does not provide sufficient firm capacity, low risk of failure for both sources, permit process for additional backup source is underway	own auxiliary power source but not "on-site"	Sporadic total coliform with no confirmed fecal coliform or E. Coli, not GWUDI; GW KCSL within WHPA Tier 3, no contamination at wellhead	Plans for repair/enhanced O&M of critical assets implemented; inventory, mapping, & risk assessment for all other assets underway
	Known, permit exists, design meets public/ potable supply specifications	Good, continue O&M	Backup source(s) provides sufficient firm capacity or N/A, low risk of failure	On-site auxiliary power	No coliform bacteria and not GWUDI; no KCSL within WHPA	Viable "living" plans to maintain low risk, maximize service life and minimize life cycle costs

* Assess each well, intake, or interconnection separately – use comment section to provide overall assessment of systems with multiple sources.

** Ground water sources only

Circle one:







Comments (attach additional sheets if necessary):

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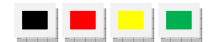
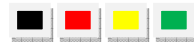
TECHNICAL CAPACITY

TREATMENT INFRASTRUCTURE*:

Score	Basic Knowledge, Information, and Documentation	Treatment Unit and Plant Condition	Component "Criticality"/ Risk Assessment	Finished Water Quality	Auxiliary Power	Adequacy of plans to address issues
	Unknown	Required treatment does not exist or is no longer serviceable; installation or replacement required	No backup to meet demand if unit fails; high or unknown risk of failure	Consistent levels of 2 or more contaminants above primary standards	None	No plans
	Little knowledge; no permit; poor/obsolete design inadequately treats water, O&M rate exceeds mfr. recommendation, unit(s) not cost efficient	Poor - unit/plant requires major rehabilitation or major repairs; O&M practices need major overhaul	No backup to meet demand if unit fails; moderate risk of failure, permit for backup unit underway	Consistent levels of 1 contaminant above primary standard	auxiliary power via contract with off-site vender	Plans to assess risk, ID need for repair/rehab/replace, add to asset inventory, map location, and enhance O&M developed but not implemented
	Known, permit exists, design adequately treats water but unit(s) too often require emergency maintenance	Fair - unit/plant requires periodic emergency but minor repairs; enhanced O&M will extend service life	Backup unit exists but cannot meet demand if unit fails; low risk of failure, permit for backup unit able to meet demand underway	Consistently meets primary standards, sporadic to consistent levels above 1 or more secondary standards	own auxiliary power source but not "on-site"	Plans to repair/enhance O&M of critical assets implemented; inventory, mapping, & risk assessment for all other assets underway
	Known, permit exists, design optimal to treat contaminants, unit(s) function effectively, preventive maintenance employed	Good - unit/plant requires no significant repairs; continue O&M	Backup unit(s) able to meet demand or N/A, low risk of failure	Consistently meets primary and secondary standards	On-site auxiliary power	Viable "living" plans exist and are being implemented to maintain low risk, maximize service life and minimize life cycle costs

* Assess each unit or plant separately – use comment section to provide overall assessment of systems with multiple units/plants.

Circle one:







Comments (attach additional sheets if necessary):

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TECHNICAL CAPACITY

FINISHED WATER STORAGE INFRASTRUCTURE*:

Score	Basic Knowledge, Information, and Documentation**	Condition	Required Pressure & Equipment	Capacity	Adequacy of plans to address issues
	Unknown	Does not exist or no longer serviceable; installation or replacement required	Does not supply minimum pressure (e.g. - 20 psi at street), tank/booster pumps not consistently operational	< 50% required by N.J.A.C. 7:19-6 for CWS or N.J.A.C. 7:10-12.35 for NCWS	No Plans
	Basic design known, but no visual inspection or structural integrity inspection conducted for > 10 years	Poor, major repairs or rehabilitation required; O&M practices need major overhaul	Persistent pressure problems with significant portions of distribution system receiving regular/frequent pressure complaints.	50-74% required by N.J.A.C. 7:19-6 for CWS or N.J.A.C. 7:10-12.35 for NCWS	Preliminary plans being developed.
	Basic design known, annual visual inspection, but last structural integrity inspection conducted 6-10 years ago	Fair, minor repairs with enhanced O&M; enhanced O&M will extend service life	Intermittent pressure problems when emergency interconnections are utilized under fire flow conditions.	75-99% required by N.J.A.C. 7:19-6 for CWS or N.J.A.C. 7:10-12.35 for NCWS	Plans are in the design and permit application phase
	Basic design known with annual visual inspection and structural integrity inspection every 5 years	Good – requires no significant repairs, continue O&M	A minimum 20 psi pressure is maintained in all portions of the distribution system under all flow conditions.	≥ 100% required by N.J.A.C. 7:19-6 for CWS or N.J.A.C. 7:10-12.35 for NCWS or have a valid storage waiver	Facility is constructed.

* Assess each unit separately – use comment section to provide overall assessment of systems with multiple units.

Circle one:







Comments (attach additional sheets if necessary):

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TECHNICAL CAPACITY

Distribution System:

Score	Component location, age, construction, and condition	Component "Criticality"/ Risk Assessment	Water Loss	Auxiliary Power for Pumping Stations	Complaints due to quality, pressure, service interruptions	Adequacy of plans to address issues
	Unknown	High or Unknown risk of failure	Unknown or Excessive Rate (≥ 50%)	None	Very High – Routine occurrence	No plans
	< 50% of line miles information known, documented, and inventoried, nothing mapped*	Risk assessed Only for pump stations and/or pressure reducing valves	High Rate (25-49%)	auxiliary power via contract with off-site vender	High – Weekly to monthly occurrence	General plans for emergencies only; system-wide calculations of water losses only
	Information for all major components and 50-100% of others known, documented and inventoried, ≥ 50% mapped* with mapping in progress for remainder	Risk assessed for Ppump stations and/or pressure reducing valves; and all major lines	Moderate Rate (15-24%)	own auxiliary power source but not "on-site"	Moderate – Quarterly occurrence	Detailed plans exist for major risks, general plans for other; use of AWWA Manual 36 for general calculation of water losses.
	All components documented, inventoried, and mapped*	Risk assessed for Ffull system including auxiliary power	Low Rate (< 15%)	On-site auxiliary power	Low – Few if any annually	Detailed plans for all significant contingencies with prompt responses routine; full application of AWWA Manual 36 for water loss assessment.

* Mapping includes GIS/AutoCAD or similar digital mapping with linked database(s) if applicable (recommended)

Circle one:







Comments (attach additional sheets if necessary):

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TECHNICAL CAPACITY

Licensed Operator and Qualified Personnel:

Score	Licensed Operator	Qualified Personnel	O&M Manual	Personnel Complement	Personnel Maintenance
	No Licensed Operator as required	Unqualified - unfamiliar with system & policies/ procedures, lack skills, not trained	Does not exist	Frequent gaps in operational coverage	Very high turnover; >50% of personnel within 5 years of retirement; no plan for retention of knowledge
	Licensed Operator without required license and/or poor performance of duties, recordkeeping & reporting	Poor - limited knowledge of system & policies/ procedures, limited skills, minimal training	Manual is outdated/poorly written does not include all duties/tasks; operator and personnel do not use Manual is out dated & poorly written; does not include all duties, tasks, & units; operator and/or personnel do not use	Infrequent gaps in operational coverage through extensive use of overtime, contracted personnel	High turnover; >33% of personnel within 5 years of retirement; general plan for retention of knowledge
	Licensed Operator with required license; adequate performance of duties, but recordkeeping & reporting need improvement	Fair - working knowledge of system, adequate skill level, but needs more training on policies/procedures	Manual is adequate, but requires needs improvement to better describe updating to include all duties/tasks,; operator and personnel use	Minimal gaps in operational coverage and use of overtime, contracted personnel	Moderate turnover; <33% of personnel within 5 years of retirement; complete plan for retention of knowledge developed, implementation beginning
	Licensed Operator with required license; satisfactory performance of duties, recordkeeping & reporting; or N/A	Good - working knowledge of system & policies/procedures, possess necessary skills, & properly trained or N/A	O&M Manual is complete, accurate, & used by operator and personnel; or N/A	Complete operational coverage using regular facility staff and work hours	Minimal turnover; <20% of personnel within 5 years of retirement; complete plan for retention of knowledge fully implemented

Circle one:



Comments (attach additional sheets if necessary):





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TECHNICAL CAPACITY:

	<u>Yes</u>	<u>No</u>	<u>NA</u>
1. Is the public water system in significant non-compliance as defined by USEPA?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
2. Does the public water system have any continuing violations of the Safe Drinking Water Act rules (N.J.A.C. 7:10) or Water Supply Allocation Permit rules (N.J.A.C. 7:19)?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
3. Is the public water system operating under a licensed operator of the appropriate license per the Licensing of Water Supply & Wastewater Treatment System Operator rules (N.J.A.C. 7:10A)?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

DRAFT

MANAGERIAL CAPACITY

Score	Ownership & Legal Authority	Organization & Staffing	Plans*, Policies, and Procedures	Effective Interaction & Communication with Regulators	Effective Interaction & Communication with Customers
	No legal authority to operate as a water system	No organizational chart; no job descriptions; lack proper staffing	No plans or written policies & procedures	Very poor communication (e.g. - no reply to letters); adversarial; does not seek guidance; continuous M/R violations	Customer relations not valued; very poor response to complaints; no advance notice prior to planned service disruptions; no outreach
	Legal authority exists, but system is in receivership or filed for bankruptcy	Organization chart outdated; ≥ 1 key position(s) vacant for over > 1 year and/or high turnover rate; job descriptions poorly defined	Some plans exist, but policies & procedures are lacking on how to implement plans	Poor communication (e.g. - unresponsive/late replies to letters); indifferent; rarely seeks guidance; frequent M/R violations	Customer relations not valued but tolerated; poor-fair response to complaints; little advance notice to major disruptions only; no outreach
	Legal authority exists, not in bankruptcy or receivership, but financial situation makes failure or bankruptcy a possibility.	Organizational chart up to date; some turnover in key positions; job descriptions adequate but need to be improved	Plans & policies/procedures exist but are not consistently followed or implemented	Fair communication (e.g. – responsive, but not always timely replies to letters); cooperative; seeks guidance but needs to improve on follow through; occasional M/R violations	Customer relations valued; adequate response time to complaints; advance notice prior to planned service disruptions; informal outreach program
	Legal authority exists or NA, not in bankruptcy or receivership, and finances are sound.	Organizational chart shows all positions; clear defined job descriptions	Complete set of viable “living” plans & “library” of written policies/procedures, well implemented	Good communication (e.g. - timely, responsive replies to letters); cooperative & enthusiastic; rare M/R violations	Customer relations highly valued; prompt, efficient, courteous response to complaints; advance notice prior to all planned service disruptions; adhere to formal, defined outreach program

* e.g. - Capital Improvement, Infrastructure Replacement, Preventive Maintenance, Operations, Strategic, Business, Financial, Budget, and Asset Management

Circle one:                    

Comments (attach additional sheets if necessary):





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MANAGERIAL CAPACITY:

	<u>Yes</u>	<u>No</u>	<u>NA</u>
1. Is the owner(s) of the public water system is in receivership?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
2. Does the owner(s) of the public water system demonstrate clear ownership of the water system?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
a. Is the legal owner or responsible legal party identified (list name in comment section)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
b. Is there legal authority to implement Safe Drinking Water Act requirements?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
3. Does the public water system have a clear and defined organizational structure?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
a. Is there an organizational chart with detailed job descriptions?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
b. Does the chart include the license/certification requirements for the personnel listed?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
c. Does the chart include a listing of all individuals and contracts for services provided by others?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
4. Does the public water system have written plans, policies, and procedures for:			
a. Complying with monitoring and reporting requirements?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
b. Interacting with regulators?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
c. Interacting with customers?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
d. Dealing with emergencies (i.e. - have an established emergency management plan)?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

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FINANCIAL CAPACITY

Score	Financial Plan	Reserves	Creditworthiness & Financial Indicators	Asset Management Plan, Budget, and Rates	Revenues Diverted
	No financial plan; basic info necessary to develop plan not available.	No reserves; no dedicated revenue stream to build reserves	Poor credit rating/score; financial indicators "red" or cannot calculate ratios due to lack of information	No AMP or budget; rates are too low and have not been increased in over 10 years	Over 10% of utility revenues diverted for non-utility use
	Financial plan shows revenues will cover < 75% of full cost of doing business; improved data collection methods needed	Operation & Emergency reserves < 50% funded	Poor credit rating/score; financial indicators "red" and "yellow"	No AMP but budget in place, rates are too low and have not been increased in 5-10 years	5-10% of utility revenues diverted for non-utility use
	Financial plan shows revenues will cover 75-90% of full cost of doing business; data collection methods acceptable but analysis needed	Operation & Emergency reserves 50-75% funded & will be fully funded by next fiscal year	Satisfactory credit rating/ score; financial indicators "yellow" and "green"	AMP in place and reflected in budget; but rates are not adjusted to fully fund budget	1-4% of utility revenues diverted for non-utility use
	Financial plan shows revenues will cover 100% of full cost of doing business; data collection methods acceptable needed and analysis occurs routinely	Operation & Emergency reserves 76-100% & will be fully funded this fiscal year	Excellent credit rating/score; financial indicators "green"	AMP in place, is reflected in budget, and rates are set at level which will fully fund the budget	All utility revenues are dedicated for utility use

Circle one:



Comments (attach additional sheets if necessary):

DRAFT

FINANCIAL CAPACITY:

	<u>Yes</u>	<u>No</u>	<u>NA</u>
1. An effective financial plan exists which accounts for revenues, operating expenses, reserves, and capital improvements for the next three years.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
2. The Debt Ratio (DR) is < 0.33	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
3. The Expense Ratio (ER) is < 0.33	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
4. The Sales Ratio (SR) is > 0.5	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
5. The Operating Ratio (OR) is > 1.0	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
6. The Debt Service Coverage Ratio (DSCR) is > 1.0	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
7. Sufficient reserve accounts exist to cover an operating cash reserve (12% of the annual O&M and general/administrative expenses) and emergency reserve for critical equipment replacement.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
8. The PWS has an annual operating budget to demonstrate sufficient revenue to meet all expenses associated with SDWA compliance.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Notes:

DR - measures the amount of debt used by the PWS and is calculated as follows:

$$DR = \text{Total Liabilities} / \text{Total Assets}$$

$$\text{Liability} = \text{Revenue from Loans}$$

$$\text{Assets} = \text{Savings Withdrawal} + \text{Revenue from Grants} + \text{Revenue from Fees}$$

ER - measures the amount of operating expenses compared to total expenses and is calculated as follows:

$$ER = \text{Operating Expense} / \text{Total Expense}$$

$$\text{Operating Expense} = \text{Annual Operating Expense}$$

$$\text{Total Expense} = \text{Total Annual Cost of Doing Business}$$

SR - measures the percentage of total revenue generated by sales of operations (i.e. – from rates) and is calculated as follows:

$$SR = \text{Sales} / \text{Total Revenue}$$

$$\text{Sales} = \text{Revenue from Fees} + \text{Other Revenue}$$

$$\text{Total Revenue} = \text{Sum of Revenue from (Fees} + \text{Grants} + \text{Loans} + \text{Savings Withdrawn} + \text{Other Revenues)}$$

OR - measures the relationship between operating revenues and operating expenses and is calculated as follows:

$OR = \text{Operating Revenue} / \text{Operating Expenses}$

Operating Revenue = Sum of Revenue from (Fees + Grants + Loans + Other Sources)

Operating Expense = Annual Operating Expense

DSCR - measures the ability of a PWS to cover debt, over and above operating expenses and is calculated as follows:

$DSCR = \text{Annual Gross Revenues} - \text{O\&M Expenses} / \text{Annual Principal and Interest Charges}$