

**California Department of Public Health
Safe Drinking Water State Revolving Fund**

**Annual Capacity Development
Program Implementation Report
to the
United States
Environmental Protection Agency**

State Fiscal Year 2009 - 2010

September 30, 2010

TABLE OF CONTENTS

I. State Capacity Development Program Annual Reporting Criteria -----	1
A. New Systems Program Annual Reporting Criteria -----	1
1. Legal Authority -----	1
2. Control Points -----	1
3. New Public Water Systems on the Significant Non-Compliers List -----	1-4
B. Existing System Strategy -----	4
1. Technical, Managerial, and Financial Capacity in Existing Public Water Systems -----	4
2. Identification of Need for Capacity Development Assistance in Existing Public Water Systems -----	8
3. Approach for Providing Capacity Development Assistance -----	9
4. Review of the Implementation of the Existing System Strategy -----	10
5. Modification to the Existing System Strategy -----	11
II. Reporting Period and Submittal Dates -----	11

I. State Capacity Development Program Annual Reporting Criteria

A. New Systems Program Annual Reporting Criteria

1. Legal Authority

California's legal authority is set forth in the California Health and Safety Code through the permitting process. No changes to this authority occurred during the State Fiscal Year (SFY) 2009-10.

2. Control Points

The California Department of Public Health (CDPH) uses the water supply permit as the control point for capacity development requirements. No change has occurred to this process during the SFY 2009-10.

3. New Public Water Systems on the Significant Non-Compliers List

Listed below are the community and nontransient noncommunity public water systems that were identified by the regulators or listed in the CDPH Permits, Inspections, Compliance, Monitoring and Enforcement database, commonly referred to as PICME, or Safe Drinking Water Information System (SDWIS) database as new permitted water systems for the last three SFYs between July 1, 2007 and June 30, 2010. A database is maintained for technical, managerial, and financial (TMF) assessments and staff evaluations that have been submitted and reviewed at CDPH.

Of these 79 new water systems, eight (8) systems (10%) were targeted for enforcement action: five (5) water systems were in violation for failure to report Consumer Confidence Reports (CCR), and four (4) water systems had chemical/ radiological MCL violations (one water system had a chemical/ radiological MCL and a CCR violation). The list contains eight (8) water systems, designated in **BOLD**, that have been identified as significant non-compliers (SNCs) on the United States Environmental Protection Agency's (EPA) SNC list. Since the SNC report was distributed, those systems identified in this report have either returned to compliance, are under a compliance order, have entered into the funding programs to complete corrective measures to correct MCL Exceedence, or have been identified for implementation of a compliance strategy by the CDPH District Engineer/Local Primacy Agency (LPA).

California Department of Public Health
 Safe Drinking Water State Revolving Fund
 Annual Capacity Development Program Implementation Report
 State Fiscal Year 2009 - 2010

<u>SFY</u>	<u>Number</u>	<u>Public Water System Name</u>
2007-08	0409177	G & J Properties
	1000550	FCSA #44d-Monti Verdi
	1400527	Keeler Yard LADWP [formerly Sulfate Road LADWP]
	1502724	Quail Valley WD – Eastside System
	1503194	Paradise Water System
	1503226	Quail Valley WD – Westside System
	1503482	Rio Mesa Mutual Water
	1503536	Glennville Mutual Water
	1503543	Summit Industrial Park
	1503558	El Camino Pines Lutheran
	1503578	Cameron Pointe Water System
	1503642	Weeks Wholesale Rose Grower Water System
	1503645	Robert’s Investments
	1503646	Christian Life Assembly
	1503652	Lucich Farms Cold Storage
	1805007	Herlong Utilities Cooperative
	1909646	Agua Dulce Winery
	2000203	Outback, Inc
	2000757	MD #63 Meadow Springs Ranch
	2000938	Pacific Ethanol
	2400219	Merced New Life School
	2702607	McCahon Floral WS
	2702704	Harris Road WS #10
	3110150	CalAm – West Placer
	3705051	Sutherland Reservoir Recreation Area
	3705056	Jess Martin County Park
	4000803	Rancho Salinas MBWC
	4300993	Z Best Products [formerly Riverside RV Park]
	4300994	Riverside RV Park
	4500337	Meeks Lumber, Anderson
	4800804	Fred H Rehrman Migrant Center
	4800826	Vaca-Dixon Substation
	4901278	Cline Cellars
	4901295	Deerfield Ranch Winery LLC
	5000537	Simile Pentecost Plaza
	5000548	Montpelier Orchards
	5000570	Valley Peterbilt

California Department of Public Health
 Safe Drinking Water State Revolving Fund
 Annual Capacity Development Program Implementation Report
 State Fiscal Year 2009 - 2010

5000580 Grover Landscape
 5105006 Yuba City USD Transportation
 5200525 Creative Learning Center
 5400505 Hartland Christian Association
 5403127 Monrovia Venice Hills Nursery
 5403131 Sunny Acres Water System
 5800006 Lewis Carroll School
 5805001 Plumas Lake

2008-09

0409179 L. C. Hunting Club
 0409181 Blue Oak Terrace Mutual
 1000574 FCSA #34-B Ventana Hills
 3301113 Anza Baptist Church
 3710049 US Border Patrol – Pine Valley Station
 4010901 SLOCSA #10 – Cayucos
 4500340 Mount Lassen Woods Water System
 4810033 Hines Nursery Winters South
 5000581 Pioneer Equine Hospital
 5000583 Salida Hulling Association Water System
 5403128 Mozzarella Fresca
 5403130 Eleanor Roosevelt Learning Center
 5403132 Calgren Renewable Fuels
 5403133 Summitt Charter Academy
 5401044 Cal Trans-Visalia Maintenance Station

2009-2010

1000566 Foster Farms – Cedar Hatchery
1000571 Northeast World Harvest Church
1000575 Poindexter Nut Company
 1000577 Dunlap Academy
 1000584 True Organic Products
1000585 Murietta Hernandez Farms
 1503653 M&L Cold Storage, LLC
 2210941 Acorn Cooperative Preschool
 2400226 Gold Hills Nut Company
 3205006 Grizzly Ranch CSD
 3301122 Lisa J Mails Elementary School
 3710036 Borrego Water District
 3901476 PG & E Water System
3901480 Roadway Express Water System
 4000814 Wallace Water Systems

4000815	Las Ventanas Ranch
5000563	Elks Lodge 1282
5000584	Mesa Verde Elementary School
5603302	Lloyd Butler Mutual Water Company

B. Existing Public Water System Strategy

1. Technical, Managerial, and Financial Capacity in Existing Public Water Systems

California's approved strategy assists existing public water systems in achieving and maintaining TMF capacity through use of the following activities:

a. TMF Assessments

CDPH's TMF assessment has been revised and consolidated from 16 to 13 criteria that reflect a public water system's capacity to sustain viability. The TMF assessments are completed for all new public water systems, applicants of the Safe Drinking Water State Revolving Fund (SRF) and public water systems that are undergoing a change of ownership. Based upon the TMF assessment, SRF funding or the domestic water supply permit may be denied. In some cases conditions are placed in the domestic water supply permit as a result of the TMF assessment. Technical assistance services are provided to existing public water systems that lack TMF capacities as determined from the TMF assessment.

All of the current TMF assessment documents including forms and guidance are posted on the CDPH capacity development web page for easy reference by public water system personnel, regulators, and other interested parties. The completed TMF assessments and TMF staff evaluations for SRF projects and for new community and nontransient noncommunity systems are reviewed by CDPH headquarters staff for completeness and statewide consistency. During the past year CDPH staff reviewed the required TMF documents for 17 SRF projects, 19 new systems, and two existing community water systems that requested TMF reviews. A statewide database is maintained for these TMF assessments and TMF staff evaluations.

b. Training Workshops

Rural Community Assistance Corporation (RCAC) develops and conducts statewide classroom and online training workshops that focus on building the TMF capacity of public water systems. In addition, they develop and present California Technical Assistance Providers (CaITAP) Fairs that showcase the free services and materials of organizations with agreements or contracts through the SRF program and Arsenic Symposiums for arsenic treatment alternatives and case studies. During SFY 2009-10 RCAC presented a total of 59 onsite and 33 online workshops as well as five Arsenic Symposiums and three CaITAP Fairs. These events averaged 27 attendees per workshop while the Arsenic Symposiums and CaITAP Fairs averaged 71 attendees. Staff and Operators from 563 individual water systems participated in these events during this time period.

RCAC has developed a reporting tool which measures the outcomes that their workshops have on the activities of the water system personnel who attend them. One to three months after a particular workshop an electronic Performance Assessment Rating Tool (PART) asks the participants to describe the measurable changes that have been made to the water system as well as the changes they intend to implement within the upcoming year as a result of attending the workshop. A sampling of the PART responses from the workshop attendees includes:

- 1) *“Realize my needs to learn more about upcoming changes required to be (come) a better operator.” [Disinfection By-Products Rule]*
- 2) *“I was able to calculate distances and the size pipes needed to carry water. I was able to find the correct size pump to fit the distance and size of pipes.” [Fundamentals of Pumps and Motors]*
- 3) *“Using the concepts learned from the class coupled with the resources provided, we are in the process of mapping & electronically storing locations of the District’s infrastructure.” [Mapping/GIS]*
- 4) *“How to choose an effective method of (Arsenic) removal” and “Understanding the (Arsenic) contamination and how to address it” [Arsenic Symposium]*

- 5) *“Reviewed City’s financial plan from 2008 for need to update. Evaluated high cost areas and found much cheaper chlorine supplier.” [Budget]*
- 6) *“Completed Emergency Response Plan; conducted unwritten survey of well field; planned on creating an incident list; began monitoring of upstream activities.” [Sanitary Surveys]*
- 7) *“We have increased our water sampling quantities to assist in avoiding TCR monthly violations.” [The Groundwater Rule]*
- 8) *“Started our inventory. Took inventory to CPA. Updated/changed insurance policies. Started writing the yearly newsletter to include the reasons for rate increases. Figured out just how bad our equipment is & started program to replace & repair.” [Rate Setting]*
- 9) *“ I completed backup power needs assessment. Completed installation of backup power wiring. Researched backup generator and presented findings to Board.” [Operation Plans & ERP]*

c. Technical Assistance

Direct technical assistance is provided to public water systems by CDPH staff as well as by third party providers that include RCAC, California Rural Water Association (CRWA), Self-Help Enterprises (SHE), and University of California, Davis (UCD).

During SFY 2009-10, CDPH staff provided technical assistance to 1470 public water systems which includes:

- 1) Recommendations to water system staff during inspections and sanitary surveys.
- 2) Education about the regulatory requirements specific to individual water systems.
- 3) Consultation regarding water system upgrades and potential funding projects.
- 4) Evaluation of TMF assessments.

- 5) Review of permit amendments following construction projects.
- 6) Assistance in leak detection and water conservation.
- 7) Review and set up financial planning and CIP.
- 8) Assistance in establishing operations plans, strategic planning, emergency response plans and other policies.

During SFY 2009-10 CRWA staff provided direct technical assistance to 205 small public water systems (SWS) that were placed on a prioritized list by CDPH based on information that the water system lacked TMF capacity. CRWA activities included:

- 1) Resolving compliance issues for those water systems with significant violations or other deficiencies that have or could lead to failures of primary drinking water standards.
- 2) Completing PWS applications and required TMF assessments for the SRF and other CDPH funding programs.
- 3) Improving the overall TMF capacity of small public water systems by completing:
 - a) Five-year budget projections and capital improvement plans
 - b) Water system technical evaluations
 - c) Operations plans
 - d) Emergency response plans

SHE provided direct technical assistance to water systems that have applied for CDPH funding in the counties of Stanislaus, Merced, Mariposa, Madera, Fresno, Kings, Tulare, and Kern. Often this assistance has consisted of community outreach in which SHE works closely with water system decision makers and constituents to facilitate the acquisition of funding. SHE also provided assistance in completing the required TMF assessments and other documents for CDPH funding. During SFY 2009-10 SHE provided direct technical assistance to 52 public water systems.

During SFY 2009-10 RCAC provided direct technical assistance to nine small public water systems. RCAC offers on-site guidance and demonstrations to SWS for budget development, capital improvement

plans and presentations to water system constituents and management staff regarding the need for a plan to develop increased sources of revenues. Under their technical assistance component, RCAC also assists small water systems in implementing the Check Up Program for Small Systems (CUPSS).

The University of California Davis (UCD) provided the following types of services in this contract year:

- 1) Performed file reviews for the Drinking Water State Revolving Fund and American Recovery and Reinvestment Act of 2009,
- 2) Performed research and studies of Drinking Water State Revolving Fund Categories/ prioritization of projects by other states, fluoridation data evaluation,
- 3) Provided an evaluation of planning costs from 2009-2010 State Revolving Fund projects for trends and categories for tracking,
- 4) Provided ground water information system support,
- 5) Provided engineering support as needed for small water systems.

2. Identification of Need for Capacity Development Assistance in Existing Public Water Systems

CDPH identifies public water systems in need of capacity development assistance through use of the following tools:

- a. The assistance referral list (ARL) is the primary system that CDPH uses to address the need for capacity development in existing public water systems. Technical assistance assignments for CRWA program specialists are derived from this prioritized list. The ARL is generated with input from CDPH and LPA staff and identifies five main concerns:
 - 1) Serious health deficiencies
 - 2) Noncompliance with drinking water standards
 - 3) Funding applications
 - 4) TMF deficiencies
 - 5) Waterworks standards.
- b. California's baseline assessment is known as the TMF Tune-up and has been developed under contract with UCD. The link for the TMF Tune-up is <http://neien.des.ucdavis.edu/tmf/> and requires a public water system number to access it. During SFY 2009-10 186 public water systems have completed the TMF Tune-up bringing the total to

619 systems since its inception. CDPH is currently working with UCD to evaluate the TMF Tune-up in areas of:

- 1) Requiring water systems to complete TMF Tune-ups prior to receiving technical assistance.
 - 2) Contacting water systems to repeat the TMF Tune-ups after six months and evaluate the results.
 - 3) Correlating and trending the new initial Tune-ups as well as repeat TMF Tune-up results.
 - 4) Encouraging all LPA's and districts to get water systems to complete TMF Tune-ups in addition to the TMF assessment prior to issuing permits.
- c. RCAC conducts focused median household income (MHI) surveys to assess disadvantaged community status for CDPH funding programs. If this survey determines that the community MHI is below the established threshold for disadvantaged community status, the proposed project may rank higher on a project priority list, and the system may qualify for more favorable funding opportunities. During SFY 2009-10 RCAC completed six focused MHI surveys.
3. Approach for Providing Capacity Development Assistance

CDPH has identified a number of approaches for identifying statewide public water system capacity concerns and providing for PWS capacity development needs:

- a. The CDPH capacity development website at <http://www.cdph.ca.gov/certlic/drinkingwater/Pages/TMF.aspx> provides tools for water systems to use that will assist them in developing their TMF capacities. These tools include the current TMF documents, various budget templates, an equipment life expectancy chart, sample emergency notification letters, and operations plan and emergency response plan templates. In addition, links to the websites of organizations that provide services for small water systems are provided.
- b. The CDPH small water systems unit staff provide support to the LPAs and drinking water field offices that regulate small water systems. The unit staff provide ongoing consultation and oversight to assist the regulators in maintaining small water systems in compliance with all standards.

- c. The Expense Reimbursement Grant (ERG) program is administered by Cooperative Personnel Services (CPS) Human Resources Services for CDPH. These federal grant funds are intended to alleviate the costs for SWS operators related to obtaining and maintaining drinking water operator certification. Operators and prospective operators associated with community or nontransient noncommunity public water systems having populations under 3300 receive an ERG identification number which is used to register for drinking water related conferences, workshops, and specialized training courses as well as for exam and certification fees and related materials. This program is expected to expend all available funding by January 2011.
 - d. CalTAP is the stakeholder advisory committee that is comprised of all the organizations who have contracts with CDPH to provide technical assistance under the SRF program, as well as the CDPH district engineers and LPA representatives. The SRF organizations include CRWA, RCAC, SHE, UCD, and CSUS. Also included are CPS for the ERG program and the American Water Works Association-California Nevada Section. The CalTAP Workgroup is a subcommittee that does not include the regulators. CalTAP affords these entities a forum to discuss drinking water issues and to work together toward solving mutual concerns.
 - e. CDPH staff presented information at the five Funding Fairs offered throughout the state in 2010. These events enable PWS personnel to obtain information about various infrastructure funding sources including the SRF program. This is especially helpful for water systems whose projects are large or do not meet California funding program criteria as they are able to learn about additional funding sources for their project outside of CDPH.
4. Review of the Implementation of the Existing System Strategy

CDPH did not complete an extensive review of the implementation of the existing system strategy during SFY 2009-10. CDPH is in the process of hiring three new staff in the Technical Programs Branch to support its Capacity Development strategy. It is anticipated during SFY 2010-2011 an evaluation of the implementation strategy will be performed as staffing and resources become available.

5. Modification to the Existing System Strategy

During SFY 2009-10 CDPH did not make modifications to the overall existing system strategy based on a review of the strategy.

II. Reporting Period and Submittal Dates

The annual implementation reporting period reflects SFY July 1, 2009, to June 30, 2010. This report will be submitted the United States Environmental Protection Agency Region IX.