

**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 2007 - 2008**

**September 30, 2008**

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I. State Capacity Development Program Annual Reporting Criteria

A. New Systems Program Annual Reporting Criteria

1. Change in California's 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) 2007-08.

2. California's Control Points

As stated above, the California Department of Public Health (CDPH) uses the water supply permit as the control point. No change has occurred to this process during the SFY 2007-08.

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

Listed below are the community and nontransient noncommunity public water systems that are identified by the regulators or are listed in the PICME database as new for the past three SFYs between July 1, 2005 and June 30, 2008. A database is maintained for TMF assessments and staff evaluations that have been submitted and reviewed at CDPH headquarters.

The SFY 2005-06 list below has been slightly updated from last year's report based on more current information. For SFY 2005-06, Dave's Tractor (5200524) and Denise & Filice LLX Shipping & Cooling (3500926) are not listed on the PICME database new list. In addition, Skylawn Inc. (4100604) was a duplication of 4100605.

None of the following public water systems are on the United States Environmental Protection Agency's (EPA) Significant Non-Compliers List:

<u>SFY</u>	<u>Number</u>	<u>Public Water System Name</u>
2005-06	1000567	FCWWD #18 / Lakeview Estates
	1700724	Parkland Mutual Water Company
	2000202	Yosemite Lakes Community Church
	2300802	Harvest at Mendosas

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2700856	Altman Plants WS #01
2702620	Harrington Road WS #07
2904008	Sierra Montessori Academy
3710049	Campo Border Patrol Station
4000808	Monte Sereno Mutual Benefit Water
4010081	Woodlands Development
4100605	Skylawn Inc
4200943	Teixeira Farms – Frontier
4300997	NASA Ames Research Center
5000552	B&D United Builders [formerly Kiernan Business Center]
5000555	Piranha Produce
5200535	Live Oak Acres MWC, Inc
5403126	Family Education Center

2006-07

0300086	Grace Fellowship Church
0410019	CSU Chico, University Farm
1400528	Crystal Geyser Bottling Plant
1502645	Meadows of the Kern Mutual Water Company
2100584	McElvoy Ranch Water System
3107327	Hidden Falls
3910029	Oakwood Lake Mobile Home Park
4200947	Better Cooling Produce
4901326	Spooners Resort
4901327	Gold Ridge Pinot Winery
4901330	Madrona Manor
4901332	Wine Country Ind Park – Bldg C
5000563	Elks Lodge 1282
5200565	Richfield Elementary School

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

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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	Meadow Springs Ranch MD #63
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
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
5800006	Lewis Carroll School
5805001	Plumas Lake

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 with the following activities:

a. TMF Assessments

CDPH's TMF assessment consists of 16 criteria that reflect a public water system's capacity to sustain viability. The TMF assessments are completed for all new public water systems, for all applicants for Safe Drinking Water State Revolving Fund (SDWSRF), or for all public water systems that are undergoing a change of ownership. Based upon the TMF assessment, a water permit or SDWSRF funding may be denied. In some cases, conditions are placed in the domestic water permit. All of the current TMF assessment documents including forms and guidance information are posted on the CDPH drinking water program web page for easy reference by public water system personnel, regulators, and other interested parties.

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 small public water systems. During the SFY 2007-08, RCAC presented a total of 62 classroom and online workshops. The classroom workshops averaged over 32 attendees per workshop.

RCAC is continuing to develop meaningful measurements of changes water systems have implemented as a result of the workshops. A sampling of the responses includes:

- 1) *"We discovered that we have been operating in the red for many years. Rate increase is in the works."*
- 2) *"I [board president] personally attended all of the California RCAC online board training sessions given in 2007. We put to quick and effective use what we learned...and came into compliance...for the first time since 1971."*
- 3) *[RCAC] "helped us...prepare a working budget with a plan to replace aging infrastructure."*
- 4) *"We revised our by-laws and had them recorded."*

5) *[I liked] “the group interactions, especially the troubleshooting of a participant’s system.”*

6) *“I was able to train all of my board members in a public meeting.”*

c. Technical Assistance

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

During SFY 2007-08, CDPH staff provided technical assistance to 2,044 public water systems which included:

- 1) Recommendations to water system staff made 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; and
- 5) Review of permit amendments following construction projects.

In addition, 68 applications for SDWSRF funding were completed and 30 Notices of Application Acceptance (NOAA) were issued.

During SFY 2007-08, CRWA staff provided technical assistance to 255 small public water systems. The water systems that are selected are chosen from a list that CDPH develops from information that the water system lacks TMF capacity. Activities include:

- 1) Rectifying 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 the SDWSRF and other CDPH funding programs’ applications and required TMF assessments for water systems with funding projects; and

- 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; and
  - d) Emergency response plans.

Under a contract that began during the SFY 2007-08, SHE provides technical assistance to water systems in the counties of Stanislaus, Merced, Mariposa, Madera, Fresno, King, Tulare, and Kern that have applied for CDPH funding. Often this assistance consists of community outreach in which SHE works closely with water system decision makers and constituents to facilitate the acquisition of funding. SHE helps water systems obtain and prepare project designs, engineering services, environmental documents, and funding applications. SHE also provides assistance in completing the required TMF documents for CDPH funding as well as ongoing advice to water boards regarding management and policies. During SFY 2007-08, SHE provided assistance to 32 public water systems.

During SFY 2007-08, RCAC provided technical assistance to six small public water systems. This is often financial assistance to demonstrate how to develop a budget with a capital improvement plan or to give a presentation to water system constituents and management staff regarding the need for increased revenues.

During SFY 2007-08, UCD provided the following three types of services:

- 1) Assists over 25 water systems in identifying and developing appropriate improvements to their infrastructure;
- 2) Participates in bench scale research, arsenic removal current practices survey, cost evaluation associated with arsenic leachability from spent media, and other endeavors; and
- 3) Develops and teaches a small water system design course for undergraduate and graduate students.

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



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

- a. Assistance Referral List: This is the primary system that CDPH uses to address the need for capacity development in existing public water systems. Assignments for CRWA program specialists to provide technical assistance is derived from this prioritized list. This list of public water systems is generated with input from CDPH and LPA staff and identifies five main concerns:
  - 1) Serious health deficiencies;
  - 2) Funding applications;
  - 3) Noncompliance with drinking water standards;
  - 4) TMF deficiencies; and
  - 5) Waterworks standards.
- b. TMF Assessment: Technical assistance services are provided to existing public water systems that are lacking in specific TMF capacities as determined from the TMF assessment. The TMF assessments for SDWSRF projects and for new community and nontransient noncommunity systems are completed and reviewed for completeness and consistency. A statewide database is maintained of the TMF assessments that track the number, type, and location of the completed TMF documents. During SFY 2007-08, CDPH staff reviewed the required TMF documents for 73 SDWSRF projects and 45 new systems.
- c. Baseline Assessment, TMF Tune-up, UCD: During the past two years, CDPH has worked with UCD to develop this tool which is designed to measure the present status of TMF capacity for public water systems and to track TMF capacity changes in the future.

The reporting component of the TMF Tune-up database is still under development, but over time when water systems complete subsequent TMF Tune-ups, CDPH expects to track the capacity development and technical assistance services that water systems have received. The intent is to quantitatively identify deficient TMF areas that public water systems have in order to direct technical assistance services to address those needs. As of June 30, 2008, a total of 294 public water systems have completed the TMF Tune-up.

Although the purpose of the TMF Tune-up is to provide statistical information about the efficacy of the capacity development services provided to public water systems, it also is designed to be a tool that water systems can use to measure their relative strengths and weaknesses in a variety of TMF categories. After the participant answers the assessment questions, the TMF Tune-up prints the relative TMF scores along with a list of resources that includes information about free workshops, technical assistance, Expense Reimbursement Grant (ERG), and links to various organizations and agencies that specialize in providing materials and services to small water systems. The following comment was received from a participant:

*“The Tune-up...prompted us to think about...areas where we need to do some further planning and get more management involvement.”*

### 3. California’s Approach for Providing Capacity Development Assistance

CDPH identified a number of approaches to identifying statewide public water system capacity concerns and capacity development needs:

a. The CDPH Small Water System Website focuses on tools that small water systems can use to develop their TMF capacities. These tools include all of the current TMF documents, various five-year budget projection and capital improvement plan calculators, 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. Within the past year CDPH has created a small water systems unit with staff who provide support to the LPAs and drinking water field offices that regulate small water systems. The unit staff helps move systems through the CDPH funding process when difficulties are encountered. In addition, the small water systems unit staff offers assistance to LPAs by providing ongoing training and oversight to assist them in holding small water systems in compliance with all standards.

c. California State University, Sacramento (CSUS) completed the basic course project at the end of this SFY for prospective operators who want to be certified, but do not have a high school or general equivalency diploma. These operators may read the new book entitled, *Basic Small Water System Operations*, and successfully complete the accompanying

exam to qualify to take the operator certification exam. Additionally, in the course of the project, the book evolved into a resource book for small water systems. The intent of CDPH is to make this book available to the public in the coming year.

- d. The ERG program is administered by CPS for CDPH. These federal grant funds are intended to alleviate the costs for operators related to obtaining and maintaining drinking water operator certification. Eligible operators and prospective operators after applying to CPS receive an ERG identification number, which is used to register for drinking water related conferences, workshops, and specialized training courses as well as for related materials and exam and certification fees.
- e. Since the creation of the capacity development program, CDPH has relied on the input of interested stakeholder groups including CRWA, RCAC, American Water Works Association, Small System Interagency Outreach Committee, CalTAP, and CalTAP Workgroup.
- f. CDPH staff has participated in presentations at the 2008 Funding Fairs throughout the state which enable public water system personnel to obtain information about various infrastructure funding sources including the SDWSRF program. This is especially helpful for water systems whose projects are large or do not meet the California funding program criteria since it is possible to use funding from more than one source for a project.
- g. All of the CDPH drinking water contractors as well CDPH staff comprise CalTAP. The CalTAP Workgroup is a subcommittee that does not include the regulators.

During the last three years CalTAP has provided a forum for all of the technical assistance providers and regulatory staff to share their activities and to work collaboratively. The various CalTAP entities promote each other's activities at workshops, conferences, technical assistance visits, and other outreach events as well as in registration fliers and trade publications. In discussing potential solutions to common problems, a number of improvements have been implemented in the capacity development program through CalTAP:

- 1) Online Workshops: During SFY 2007-08, RCAC has expanded its online workshop offerings by developing a comprehensive Board Basics series as well as specific workshop topics attractive to

operators. These online workshops are presented in one to two hour segments at 12 pm and 6 pm that enable board members to attend these workshops using their own computers without traveling or devoting an entire day to the training.

- 2) ERG Training: Another need of operators that was cited in the CalTAP discussions was that small system operators in very rural areas often are on call continuously with no secondary relief and so cannot leave their systems to attend trainings. CalTAP was instrumental in adding the provision to the ERG program that qualified operators now can request specific training at their site, and CPS will arrange to have a training vendor provide the requested services. Some LPA programs in the state also are using the ERG program to assemble their ERG qualified operators and have the ERG training vendors present workshops regarding topics of common interest. One county in particular offers these workshops regularly on a quarterly basis.
- 3) ERG/TMF Tune-up Incentive: The CalTAP discussions also led to the development of an incentive plan to encourage the use of three of the capacity development activities: ERG, TMF Tune-up, and the CSUS training video/DVD series which was developed previously under a CDPH contract.

When a qualified operator enrolls in the ERG program and completes the TMF Tune-up, CSUS then sends that operator a complete set of the *Water Systems Operation and Maintenance Training Series* in video or DVD format along with the accompanying manual at no charge to the operator. During the two years of SFY 2006-08, CSUS has mailed 221 video/DVD sets to operators who have enrolled in the ERG and have completed the TMF Tune-up. Operators can obtain contact hours while using this series in a workshop setting.

- 4) CalTAP Fair: Because the CalTAP activities were beginning to have potentially wide reaching impacts on public water systems, the CalTAP Workgroup decided to host daylong workshops entitled the CalTAP Fair. These events have enabled all of the CalTAP members to speak about their programs in the morning sessions. In the afternoon sessions a variety of specific workshops have been offered including a hands on computer lab session to enable participants to complete the TMF Tune-up. RCAC agreed to

- 5) handle the logistics and advertising by incorporating the CalTAP Fair into their workshop schedule. These events have been extremely well received. The first fair was held in the southern portion of the state and the second in the northern for a combined attendance of 135 participants during SFY 2007-08.
- 6) CalTAP Strategic Plan: In an effort to focus the CalTAP activities on specific goals, the CalTAP Workgroup has developed a two-year strategic plan. The five goals describe activities for the promotion of the ERG, TMF Tune-up, CalTAP resources, operator certification and career opportunities, and the review and revision of the TMF elements and documents.

#### 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 2007-08.

#### 5. Modification to the Existing System Strategy

During SFY 2007-08, 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, 2007 to June 30, 2008. This report will be submitted the United States Environmental Protection Agency Region IX.