

**Ohio Environmental Protection Agency
DIVISION OF DRINKING AND GROUND WATERS**

**Capability Assurance Strategy Annual Report
State Fiscal Year 2005
September 13, 2005**

This Capability Assurance Strategy Annual Report was prepared by the Ohio Environmental Protection Agency (EPA) in fulfillment of the reporting requirements of the United States Environmental Protection Agency (USEPA) **Guidance on Implementing the Capacity Development Provisions of the Safe Drinking Water Act Amendments of 1996** which requires:

Each year, as a stand-alone submittal or as part of the state's capitalization grant application, the state must provide documentation showing the ongoing implementation of the capacity development strategy.

The following report follows the format of Section 1.3, Capability Assurance Strategy, of the State of Ohio **Capability Assurance Guidelines** which were submitted for United States Environmental Protection Agency (USEPA) approval on August 10, 2000. The Capability Assurance Strategy for the State of Ohio was approved by the USEPA Region 5 Safe Drinking Water Branch on September 25, 2000 and may be found on the Ohio EPA, Division of Drinking and Ground Waters (DDAGW) web page at www.epa.state.oh.us/ddagw/Documents/eng03.pdf.

This report is based on data for State Fiscal Year (SFY) 2005 which covers the period July 1, 2004 through June 30, 2005, except for the compliance data which is from our annual compliance reports for calendar years (CYs) 2003 and 2004.

1.3.1 describe the methods or criteria that the State will use to identify and prioritize the public water systems most in need of improving technical, managerial, and financial capability. The statutorily required capability assurance plans for new systems and WSRLA loan applicants continue to be the first priority for implementing Ohio's Capability Assurance Strategy. The enforceable recommendations of Comprehensive Plant Evaluations (CPEs) required under the Interim Enhance Surface Water Treatment Rule that were previously a portion of Ohio's first priority have been discontinued since most systems have complied with the Interim Enhanced Surface Water Treatment Rules, resource issues and the CPEs had a very small effect on overall statewide capability. Very few CPEs were conducted in recent years therefore more emphasis has been put into utilizing actions described below as second and third priorities and developing new methods to further ensure capability on a larger scale.

The second priority is to track and enforce regulatory requirements resulting from sanitary surveys. During SFY 2005, the state established new criteria to determine systems most in need of improving technical, managerial and financial capacity which ties in to the sanitary survey process. We are also drafting revised rules that include requiring existing systems to complete a

Capability Assurance Plan (CAP) if a certain amount of financial, managerial and technical deficiencies are determined. The new requirements for existing systems will tie into the new sanitary survey process with anticipated full implementation during July 2006. The third priority is to negotiate voluntary capability assurance remedies as part of enforcement actions against Significant Non-Compliers. The fourth priority is to track and encourage voluntary implementation of capability assurance recommendations resulting from sanitary survey screening and voluntary CPEs. This prioritization is followed in accordance with our USEPA approved guidance.

Ohio also has identified systems in need of improving capacity through our drinking water enforcement priorities list that is compiled quarterly. The list indicates all of the systems that will potentially be in noncompliance due to new rules. We have identified these systems so we can offer further technical assistance through letter, phone calls and site visits to encourage any capital improvements (mostly treatment changes) needed to comply with the new rules and sustain and further the system's capability. Ohio is encouraging the systems to be proactive with making the necessary changes prior to new rule levels becoming effective and diminishing compliance.

Another measure Ohio has taken to prioritize and improve existing system capacity is the addition of sending reminder postcards to systems who are near the end of the monitoring period and have not monitored. During PY2004 reminder post cards for nitrate and nitrite monitoring were sent to all water systems required to monitor during a period when there was one month left in the monitoring period and a sample had not been taken. Reminder postcards were also being sent from three of our five district offices for total coliform bacteria during PY2004. During PY2005, Ohio EPA implemented a new program which included sending reminder postcards for nitrate, nitrite, total coliform bacteria, radium, volatile organic compounds, synthetic organic chemicals and inorganics statewide from Ohio EPA Central Office. The benefit for capacity assurance is two fold with this new program. One, it speaks specifically to the managerial capacity of the system. We are providing the systems with a specific tool to better manage their public water system. Secondly, if a system who typically does not monitor, monitors for the contaminant and a maximum contaminant level is found, it gives Ohio EPA the ability to work with the system to improve the technical capacity of the system.

Ohio EPA, USDA Rural Development, and Great Lakes RCAP developed a course called "Small Systems Utility Board Training" for local officials including board members, mayors, water system superintendents and operators. The course is a full day free training and includes three components; managerial, technical and financial. The course was developed and piloted during PY2004 with full implementation and multiple statewide offerings during PY2005. A brochure was sent to all community public water systems less than 10,000 population and special follow-up efforts were given to small systems with capacity issues (in enforcement due to capacity related violations) to encourage the systems to participate in this course. This type of outreach and education is something that is important in our current existing system strategy to educate existing systems and increase their capability.

During PY05, Ohio EPA continued a technical assistance position at the Northeast District Office to identify and assist small systems with compliance and capacity related issues that was started during PY04. Northeast District Office was chosen because it has the most public water systems of all the districts and many small systems with lower compliance rates. The concern was that many of the systems would benefit from extra attention in the form of technical assistance to encourage capacity and compliance. The systems with total coliform violations that include boil advisories were a high priority for this technical assistance position. Systems with boil advisories that last more than eight weeks were targeted because it was assumed that the system did not have the capacity to rectify the advisory after that length of time. The technical assistance person would visit the system to get a better understanding of what issues were involved and discuss what measures had been taken to date to clear the boil advisory. As a result of the technical assistance systems may have cleaned or replaced a well or tank, flushed lines or changed their treatment. Often times the very small systems do not have the means to assess the situation to make necessary changes and cannot afford to hire an engineer. Ohio has found this position has been extremely effective in identifying and assisting the very small systems with capacity and compliance issues.

Ohio EPA is planning diligently for upcoming changes that effect how Ohio uses capacity in our everyday dealings with public water systems. Four different planning groups are meeting to address statewide changes which include system capacity. They are the Sanitary Survey Workgroup, rule workgroup for Capability Assurance (Capacity Development), workgroup to improve the Enforcement Process and a workgroup to change data management extrapolation and submission. All of the workgroups have worked diligently over PY04 and PY05 to make changes in Ohio's internal and external processes which will effect and further encourage a stronger commitment to capacity development.

Capability Assurance Plans are required for all new community and non-transient non-community public water systems, as well as for all Water Supply Revolving Loan Account (WSRLA) design and construction loan applicants. Eighteen WSRLA loans were issued in SFY 2005; all of these had approved capability assurance plans. Similar performance has been achieved in requiring plans for new systems. Capability assurance plans were approved for four non-transient non-community systems in SFY 2005 (these are systems with plan approval from both SFY 2004 and SFY 2005 who have initiated start-up of their system). There are other systems described within which have been entered into our database during SFY 2005 but have not submitted detailed system plans, a capability assurance plan or commenced start-up to date. Significant Non-Compliers (SNCs) as defined in USEPA guidance and systems identified using the Capability Assurance Trigger Sheet during scheduled sanitary surveys are targeted for largely voluntary assistance for improving technical, managerial and financial capability. During SFY05, three enforcement actions included capability assurance requirements. Some capability items (such as certified operators, contingency plans and back-flow prevention programs) are required by Ohio EPA rules and are enforceable. Ohio EPA has no legal authority to require most managerial and financial capability items, and can only make recommendations at this time, until the draft rules are finalized and implemented.

1.3.2 **describe the institutional, regulatory, financial, tax or legal factors at the Federal, State, or local level that encourage or impair capability assurance.** See the following table for the status of action items. The acronyms used are listed in the State of Ohio **Capability Assurance Guidelines**. The status of each action item is shown in *bold italics*.

Table 1. Capability Assurance Factors

Incentive	Impediment	Level	Action Item
<p>Management: able system management ensures capability.</p>	<p>Management: poor system management leads to lack of capability.</p>	<p>Local</p>	<p>Require management plans for new systems and loan applicants. <i>Fully implemented, see 1.3.4.</i> Continue to encourage existing systems to improve management through training, referrals and networking. <i>Ongoing. Capacity Development course called “Utility Management for Local Officials” was held at ten locations during SFY 2005. Five were originally scheduled, but an additional five were added due to overwhelming demand.</i></p>
<p>Maximum Contaminant Levels and other enforceable drinking water requirements: enforceable regulations enable the state to require compliance.</p>	<p>Maximum Contaminant Levels and other enforceable drinking water requirements: complying with regulations can impose financial, technical and managerial burdens on water systems.</p>	<p>Federal, State and Local</p>	<p>Continue to enforce federal primacy regulations; minimize additional state requirements; comment on all proposed federal drinking water regulations and guidance with the goal of minimizing requirements consistent with protecting public health; provide technical, managerial and financial assistance and training. <i>Ongoing; Annual Compliance Reports available; enforcement reports available; DDAGW did not provide comments on any regulations during this program year.</i></p>

Incentive	Impediment	Level	Action Item
<p>Taxes: the ability to assess voter approved property taxes can provide financial support for some rural water districts.</p>	<p>Taxes: federal, state and local taxes increase costs to investor owned water systems and for-profit private water systems.</p>	<p>Federal, State and Local</p>	<p>Tax codes are beyond the authority or influence of the Ohio EPA. Refer concerned customers and water systems to their local, state and federal legislators. <i>Not tracked.</i></p>
<p>State and local tax exemptions: state and local tax exemptions for certain waste handling facilities at investor owned can reduce costs to customers.</p>	<p>Local tax exemptions: granting of exemptions by publicly owned water systems to certain classes of customers may result in disproportionate costs burdens on other users.</p>	<p>State and Local</p>	<p>Local tax exemptions are beyond the purview of the Ohio EPA. Refer concerned customers and water systems to their local and state legislators. Continue to encourage water systems to implement equitable rate structures. <i>Not tracked.</i> Continue to participate in implementing tax exemptions for waste handling facilities. <i>No requests in SFY05.</i></p>
	<p>Low income areas: low income households have fewer resources with which to pay for water service.</p>	<p>Local</p>	<p>Refer systems for technical assistance from GLRCAP, Small Communities Environmental Infrastructure Group (SCEIG) Finance Committee, and others to maximize the use of low cost funding to minimize the potential burden to low income households. Where available, encourage regional systems to serve these areas in order to spread costs. <i>Ongoing, not tracked.</i></p>

Incentive	Impediment	Level	Action Item
<p>Federal and State financial assistance: financial assistance can reduce the cost of compliance to customers.</p>		<p>Federal and State</p>	<p>Continue to implement the USEPA Drinking Water SRF/Ohio WSRLA; continue to provide WSRLA planning loans to develop capability assurance plans; continue to cooperate with other state and federal funding agencies through the Ohio SCEIG Finance Committee; continue to maintain the Ohio EPA “State and Federal Funding Alternatives for Public Drinking Water Systems” brochure. <i>Working on Disadvantaged Community rules and program. Participated in six SCEIG Finance Committee meetings; WSRLA Pre-application and point evaluation sheet updated during SFY 2005.</i></p>
	<p>Political and community rivalries: local rivalries can inhibit cooperation or the creation of more efficient regional water systems.</p>	<p>Local</p>	<p>Continue to promote the benefits of cooperation to local communities; encourage equitable water service agreements. <i>Worked with several communities to encourage global solutions based on Capacity assurance including Buckeye Lake, Buckeye Water District and multiple Noble County water systems.</i></p>

Incentive	Impediment	Level	Action Item
<p>Escrow Agreements: escrow agreements required by ORC Section 6109.08 help ensure the availability of funds to correct deficiencies at small private water systems not otherwise regulated by the PUCO.</p>		<p>State</p>	<p>Continue to enforce ORC Section 6108.08. <i>No plans requiring escrow agreements were reviewed in SFY05.</i></p>
	<p>Tax base issues: stagnant or decreasing user numbers may negatively effect the ability to maintain an adequate cost recovery system. Communities may try to maintain their own water systems in order to protect their own tax bases.</p>	<p>Local</p>	<p>Tax base issues are beyond the purview of the Ohio EPA. Refer concerned customers and water systems to their local officials. Refer communities to the Ohio Department of Development for assistance in developing and implementing development plans. Continue to encourage communities to cooperate in equitable regional development. <i>Ongoing, not tracked.</i></p>

Incentive	Impediment	Level	Action Item
<p>Federal Emergency Management Agency (FEMA) relief capability assurance requirements: requirements tied to receiving emergency assistance help to ensure long term capability.</p>		Federal	Continue to support FEMA capability requirements. <i>Ongoing, not tracked.</i>
	<p>Annexation requirements: annexation requirements can impede the provision of regional water service outside municipal boundaries.</p>	Local	Home rule provisions of the Ohio constitution are beyond the purview or influence of the Ohio EPA. Refer concerned customers and water systems to their state and local legislators. Continue to encourage municipalities to offer water service on an equitable basis and to minimize requirements not directly related to the provision of water. <i>Ongoing, not tracked.</i>

Incentive	Impediment	Level	Action Item
<p>Enforceable capability assurance requirements for new water systems and WSRLA loan applicants: Ohio has adopted legislative authority and rules requiring demonstration of technical, managerial and financial capability for new systems and WSRLA loan applicants.</p>	<p>No legal requirement for capability assurance at existing water systems: Ohio has not established legislative authority to require demonstration of managerial and financial capability for existing systems.</p>	<p>Federal and State</p>	<p>Enforce capability assurance requirements for new systems and WSRLA applicants. Evaluate existing systems during sanitary surveys; follow up implementation of enforceable requirements and voluntary capability recommendations using established procedures. Negotiate voluntary managerial and financial capability improvements as part of enforcement actions for SNCs. <i>The State Capability Assurance Rules were revised and will be proposed during SFY 2006. The State has drafted an implementation guidance to be used with existing systems that will go into effect with the new sanitary survey process and finalization of the revised rules. The new rules include criteria for which existing systems would be required to complete a capability assurance plan. See 1.3.4.</i></p>
	<p>Local control issues: communities desiring to control their own destiny through maintaining their own water systems may make decisions not necessarily to the benefit of ensuring capability assurance.</p>	<p>Local</p>	<p>Continue to offer assistance through GLRCAP, SCEIG, and others to increase the system's awareness of the effects of local control decisions upon its ability to ensure effective management of its water system. Continue to encourage communities to cooperate in equitable regional development. Discuss options with such systems during plan submittal and approval process. <i>Ongoing, not tracked.</i></p>

Incentive	Impediment	Level	Action Item
	<p>Revenue diversion redirecting revenues for uses other than to operate the system may result in negative impacts to cost recovery for the system.</p>	<p>Local</p>	<p>Revenue allocation issues are beyond the authority of the Ohio EPA. Refer concerned customers and water systems to their local officials and to the Auditor of State's office. Continue to encourage water systems to operate on a self supporting basis. <i>Ongoing. Issue addressed in Capacity Development training offered to public water system decision makers as discussed previously.</i></p>
<p>Auditing and financial control requirements: Requirements are in place serve to enable a sound financial means to recover the costs of the water system.</p>		<p>State</p>	<p>Auditing and financial control mechanisms are beyond the purview or influence of the Ohio EPA. Continue to utilize information from the state auditor's office to assist in the demonstration of adequate financial controls. <i>Not tracked by Ohio EPA.</i></p>

Incentive	Impediment	Level	Action Item
<p>Sanitary survey authority: ORC Section 6109.04(C)(4) authorizes the EPA to conduct sanitary surveys of water systems.</p>		<p>State</p>	<p>Expand sanitary surveys to include capability assessments and recommendations. <i>Sanitary survey workgroup continues to meet and discuss changes. Proposed strategy undergoing internal review. Pilot testing occurring during SFY 2005 and SFY 2006 and full implementation will occur in SFY 2007.</i></p>
<p>Small Systems Technical Assistance Account: set asides from federal DW SRF grants are available to provide technical assistance to small water systems.</p>		<p>Federal and State</p>	<p>Continue to utilize the maximum two percent set aside to support technical assistance from providers such as GLRCAP and ORWA. <i>Implemented, activity report available for GLRCAP and a technical assistance position in our Northeast District Office.</i></p>
<p>OTCO, OAWWA, GLRCAP, USDA Rural Development, Ohio State University (OSU) Extension and other training providers: technical, managerial and financial training is available to water system operators, managers, owners and local officials.</p>		<p>State</p>	<p>Continue to support GLRCAP, ORW, USDA Rural Development, and the OSU Extension course “Utility Management for Local Officials” through active participation in funding and training to water system personnel. <i>Ten courses held during SFY 2005 (eight funded by Ohio EPA). Five direct mailings sent to cover all public water systems with populations less than 10,000 to advertise training course.</i></p> <p>Approve and monitor required contact hour continuing education requirements for certified operators. <i>Through June 30, 2005, 5,577 courses have been approved for drinking water operators.</i></p> <p>Provide direct agency training seminars for small systems. <i>Four seminars conducted by district staff.</i></p>

Incentive	Impediment	Level	Action Item
<p>GLRCAP, ORWA, OSU Extension, consultants and other technical assistance providers: technical, managerial, design and legal assistance, as well as assistance in obtaining funding is available from a variety of agencies and commercial sources.</p>		<p>State</p>	<p>Continue to cooperate with assistance providers in the planning and delivery of assistance. Refer water systems to appropriate assistance providers. <i>Ongoing, not tracked.</i></p> <p>Continue to utilize the maximum two percent set aside to support technical assistance from providers such as GLRCAP and our own OEPA technical assistance position. <i>Implemented, activity reports available from both technical assistance providers.</i></p>
<p>PUCO: the PUCO has the authority to require capability assurance by investor owned water systems.</p>		<p>State</p>	<p>Continue to cooperate with PUCO to ensure capability of investor owned water systems. <i>Ongoing, not tracked.</i></p>
<p>Regional Water Systems: Regional water systems provide opportunities for consolidation in areas of state.</p>		<p>Local</p>	<p>Continue to encourage systems which lack capability to tie into regional water systems where available. <i>Ongoing, not tracked.</i></p>
<p>USEPA approved SWAP program : Ohio SWAP program will identify drinking water protection areas. Provide management tools for reducing contamination potential.</p>		<p>State and Local</p>	<p>Continue to implement the Ohio's USEPA approved SWAP program. <i>Activity report available.</i></p>

1.3.3 describe how the State will use its authorities and resources to-

1.3.3.1 assist public water systems in complying with national primary drinking water standards. See section 1.3.4. No Interim Enhanced Surface Water Treatment Rule or voluntary CPEs were conducted in the previous 12 months. A general DDAGW technical assistance summary is provided in the Annual Compliance Report. WSOS/Great Lakes Rural Community Assistance Program activity and referral reports are available. Monthly reports available for the Small Systems Technical Assistance Position in our Northeast District Office. Sanitary survey requirements are not currently compiled for tracking on a consistent basis. A DDAGW internal workgroup is evaluating how sanitary surveys are being conducted, and will be incorporating capability assurance provisions into the revised sanitary survey. Pilot testing for sanitary surveys that include capability assurance criteria occurred during SFY 2005 and will continue through SFY 2006. Full implementation is expected to occur during SFY 2007.

1.3.3.2 encourage the development of partnerships between public water systems to enhance the technical, managerial, and financial capacity of the systems. Ongoing, not tracked.

1.3.3.3 assist public water systems in the training and certification of operators. Approximately twenty-five agency speakers were provided at ORWA, OTCO and AWWA conferences, workshops, seminars and meetings throughout SFY 04.

1.3.4 describe how the State will establish a baseline and measure improvements in capability with respect to national primary drinking water regulations and State drinking water law. DDAGW tracks the following:

- number and percent of enforcement referrals containing capability assurance provisions;

Table 2. Enforcement Actions in SFY 2004

Total Number	Referrals Screened for Capability		Actions Including Capability Assurance Requirements	
	Number	Percent	Number	Percent
63	0	0	3	4.8

- number and percent of systems passing capability assurance screens as part of sanitary surveys;

Table 3. Sanitary Surveys Conducted in SFY 2005

System Type	Total Number (07/11/05)	Number Surveyed	Screened for Capability	
			Number	Percent
Community Water Systems	1,323	537	40	7.4%
Non-Transient Non-Community Water Systems	956	336	0	0

Table 4. Existing Non-WSRLA, Non-Enforcement Systems Screened For Capability in SFY 2005

System Type	Number Screened	Number Not Passing	Percent Not Passing	
			of total surveyed	of total screened
Community	40	n. a.	n. a.	n. a.
Non-Transient Non-Community	0	n. a.	n. a.	n. a.

n. a. = not applicable- not currently enforcing a “passing” or “failing” rate.

Table 5. Violation Totals and Compliance Rates per Contaminant Group Category for CY 2003

Contaminant Category	MCL			Treatment Technique			Monitoring or CCR notifications		
	Violations	No. of Systems in Violation	Comp. Rate	Violations	No. of Systems in Violation	Comp. Rate	Violations	No. of Systems in Violation	Comp. Rate
MCL Contaminant Group ¹	59	27	99.5%				3860	678	87%
TCR ²	794	557	90%				1755	1152	79%
SWTR ³				224	45	71%	6	4	97%
Lead and Copper				0	0	100%	96	92	91%
CCR ⁴							145	145	89 ⁰ %
TOC ⁵				2	2	98.5%			

Table 6. Violation Totals and Compliance Rates per Contaminant Group Category for CY 2004

Contaminant Category	MCL			Treatment Technique			Monitoring or CCR notifications		
	Violations	No. of Systems in Violation	Comp. Rate	Violations	No. of Systems in Violation	Comp. Rate	Violations	No. of Systems in Violation	Comp. Rate
MCL Contaminant Group ¹	87	51	99.0%				3,027	598	89%
TCR ²	703	477	91%				1562	1031	81%
SWTR ³				154	27	81%	4	3	98%
Lead and Copper				1	1	96%	92	89	91%
CCR ⁴							128	119	91%
TOC ⁵				13	3	98%	15	9	93%
IESWTR ⁶				2	1	98%	3	1	98%

Figure 1. CY 2003

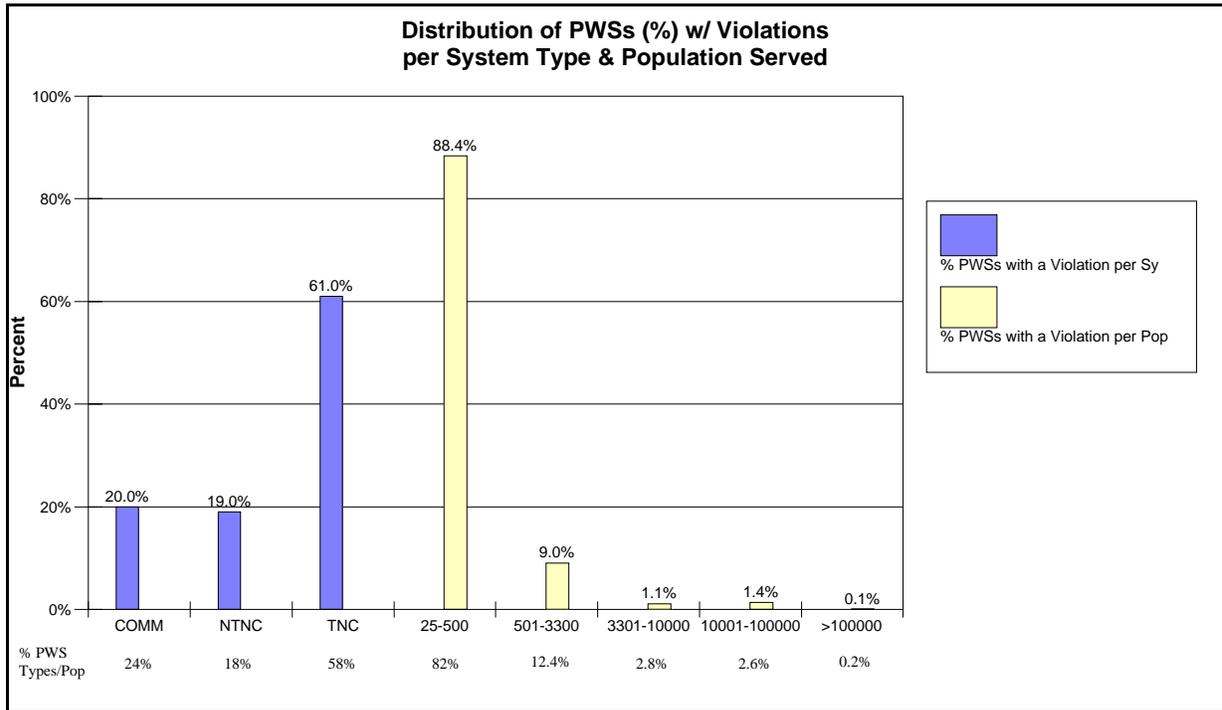
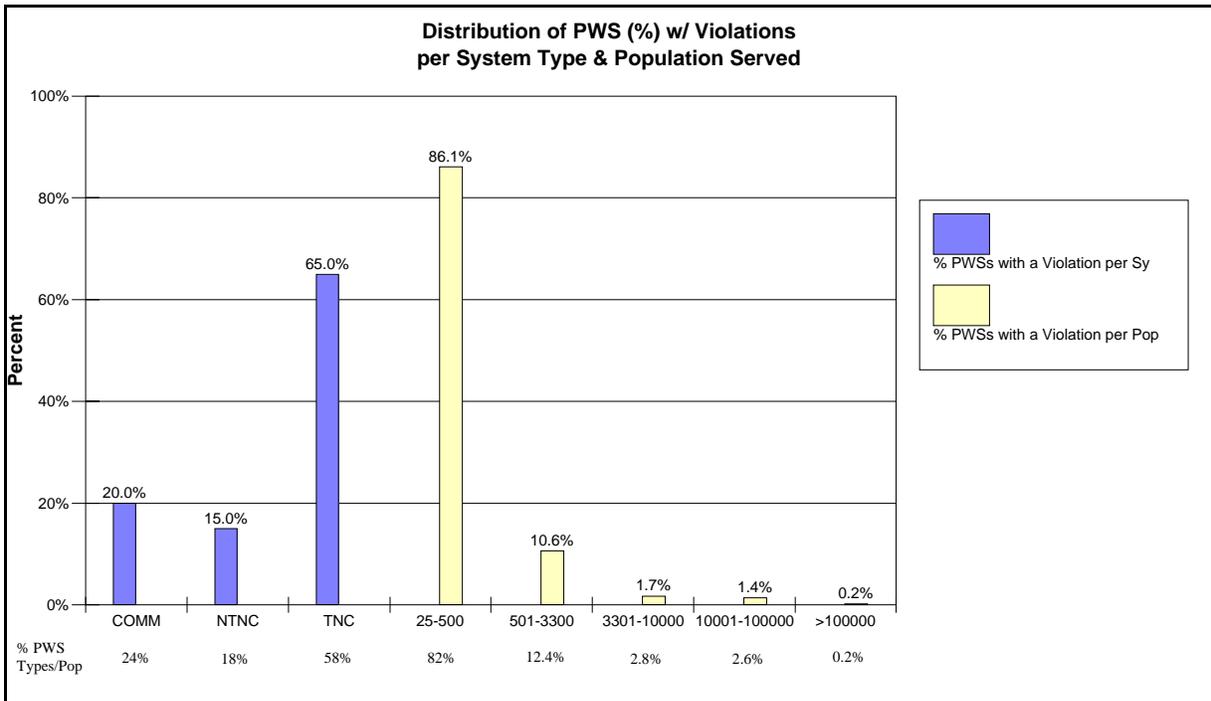


Figure 2. CY 2004

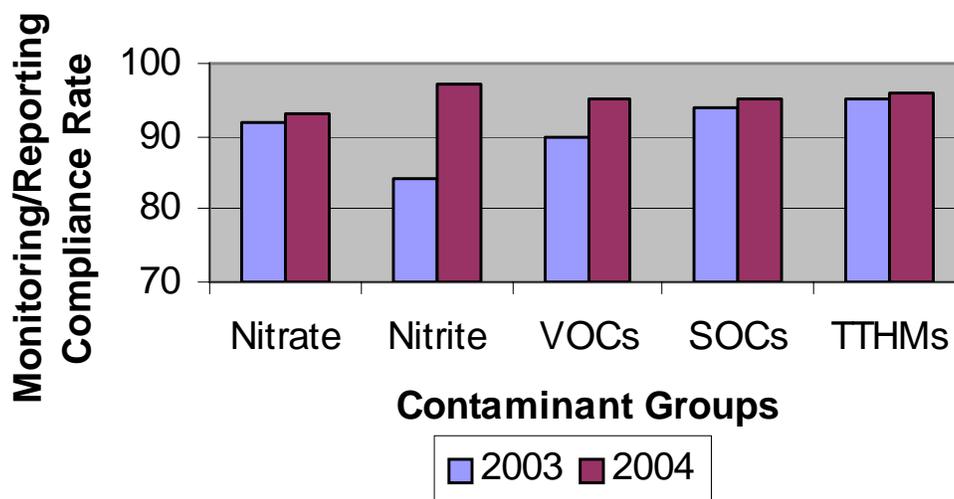


A significant change in compliance during the past few reporting periods is in the Surface Water Treatment Rule (SWTR) Treatment Technique (TT) compliance rates, which have shown a steady increase since they hit a low in CY01 of 62 percent. They increased to 69 percent in CY 02, 71 percent in CY03 and are now 81 percent in CY04. The number of systems with SWTR TT violations decreased from 45 last year to 27 this year; the majority of water systems with these violations are the systems designated ground water under the direct influence of surface water (GWUDI) which have not yet installed adequate filtration treatment. Of the 27 water systems with a SWTR TT violation during CY04, 67 percent (78 percent in CY03) were associated with systems serving fewer than 500 people which is an decrease of eleven percent from CY03. Therefore, we are seeing an overall increase in compliance, with systems less than 500 continuing to be our systems with the greatest number in non-compliance.

The compliance data for CY04 for other categories is very similar to our data from CY03. The Total Coliform Rule (TCR) monitoring and reporting (M/R) compliance increased slightly from 79 percent to 81 percent; of the water systems with one or more major routine and follow-up M/R violations, 76 percent were associated with TNC water systems which is a slight decrease from 78 percent in CY 03 and 92 percent were associated with water systems serving less than 500 people which is slightly less than our rate of 94 percent in CY 03. Three percent of systems exceeded the lead action level, up from zero percent in CY03. Consumer Confidence Report notification compliance went up to 91 percent in CY 04, which is an increase of two percent from CY 03 when the rate was 89 percent; of the 119 systems failing to meet these requirements in CY 04, 50 percent were communities serving less than 500 people which is distinctly lower than 57 percent from CY 03.

Ohio EPA has started several initiatives in recent years that have shown positive results in furthering compliance. For a few years, Ohio EPA has sent out reminder postcards during the last month of each quarter to each public water system that had not yet submitted results for nitrate/nitrite monitoring. This project was expanded during the second quarter of 2004 to the other chemical maximum contaminant level contaminant groups – approx. 1,700 postcards were sent throughout the year. Issuing postcards raised the monitoring and reporting compliance. The increase in compliance from 2003 to 2004 can be seen in the graph below.

Figure 3. Reminder Postcards: Evidence of Improvement



The

number of systems monitoring for TTHMs went up from 363 in 2003 to 1512 in 2004 due to the LT1 ESWTR. So it is fairly impressive that any improvement was seen there.

Other efforts to improve communication have likely helped with these gains. For example, Ohio EPA is providing automatic e-mail notification of systems that do not have results submitted for the specified monitoring time period. This is called the “apparent violation” lists and provides an opportunity for the public water system or its contract lab to check for results that were not sent in by oversight.

Ohio EPA believes the postcards and e-mail notices have been very beneficial to those PWS who want to comply. During June 2005, Ohio EPA expanded the postcard reminder system to include total coliform monitoring and expect to see that reflected in next year’s reporting.

Additional compliance information is contained in our Annual Compliance Reports for CYs 1996 through 2004 which may be found on the DDAGW web page at <http://www.epa.state.oh.us/ddagw> under “Annual Reports”.

Ohio EPA’s Public Water System Compliance Assistance

Ohio EPA employs various methods to assist public water systems in achieving compliance with the Safe Drinking Water Act regulations a few of which were mentioned above. Some of the methods that may be used include: providing a sampling and monitoring schedule for each public water system; offering technical assistance during facility inspections (sanitary surveys); assisting in investigations of contamination; performing investigatory monitoring; providing off-site assistance through phone calls and meetings; providing outreach training sessions for new rules and treatment; assistance in finding funding for projects; providing operator and laboratory personnel training sessions; distributing reminder postcards and/or contacting the water systems towards the end of the monitoring period to ensure collection of the required samples; and sending notice of violation letters for failure to meet the requirements for each specific regulation.

In the next several years, Ohio EPA will be required to implement several new rules directly related to enhanced surface water treatment, disinfection by-products, arsenic, additional radiological contaminants, ground water source monitoring, as well as other contaminants. Ohio EPA is working diligently to find new ways to assist public water systems in maintaining compliance with public drinking water requirements.

For example, during CY03 the Division established an internal workgroup to evaluate the required components and frequency of conducting sanitary surveys of public water systems. This effort continued during CY05 and is intended to make sure we are completing the most essential elements of site visits, including capability assurance evaluations, at those public water systems where they are most needed. As part of this effort, staff are evaluating alternative methods of collecting information about and disseminating information to public water systems.

Approximately 86 percent of violations for all Ohio public water systems occur at systems serving less than 500 people. This is a slight decrease from last year, which was 88.4 percent.

These small systems continue to have the most difficult time demonstrating capability and require the greatest amount of technical assistance. Ohio EPA has continued a pilot position in our Northeast District Office to assist small systems in attaining and maintaining compliance.

During SFY05, Ohio EPA combined several activities within DDAGW under one section to provide a greater level of emphasis on the Capability Assurance Program. By bringing together the Operator Certification, Drinking Water Assistance Fund and Operations and Technical Assistance Programs into the Operations and Financial Assistance Section, Ohio EPA is striving to better integrate capability assurance into the day-to-day activities of the Division.

The following table includes all capability assurance plans reviewed in SFY2005 for the WSRLA loan program. All loan projects complete an acceptable capability assurance plan before they are issued a loan. In the history of the capability assurance program, no loans have been denied due to a lack of capability assurance.

Table 7. WSRLA Loan Applications Reviewed in SFY 2005

Total Number	Capability Assurance Plans Submitted	Loans Denied Due to Lack of Capability	
		Number	Percent
18	18	0	0

The following information is only approximate. DDAGW does not currently have a tracking system in place for new water systems. DDAGW does track plan approval dates and the date new systems are entered into our DRINK data base. However, these dates do not reflect when a new system actually goes into operation. Plan approval dates precede construction and operation dates, sometimes by years. Some new systems are entered into DRINK prior to plan approval and construction to track new well analyses or for funding purposes. Other new systems are entered into DRINK following the first sanitary survey after the system goes into operation. No plans for new CWS and NTNC water systems were denied due to lack of capability assurance.

Table 8. New Systems Reviewed and Activated in SFY 2005

System Type	Total Number	Capability Assurance Plans Received	Plans Denied Due to Lack of Capability	
			Number	Percent
Community	0	0	0	0
Non-Transient Non-Community	4	4	0	0

Table 9. Listing of New Systems in SFY 2005

The following list is based on new systems entered into DRINK in SFY05 and additional systems that were new in DRINK during SFY04 but were not activated until SFY05

SFY 2005 Systems added to DRINK

System Type	PWS ID	System Name	CAP (Y/N)	Reason if CAP not completed
Community	4564712	Buckeye Lake Water District	N	Not active. CAP requested.
NTNC	2350812	Mom & Me Academy Ltd	N	Does not qualify as PWS.
NTNC	4564812	Licking Valley Elementary Sch.	N	Not active. Plans not yet received.
NTNC	6542712	Westfall Middle and High Sch.	N	Combining two existing systems.
Community	7674412	DeVille Apartments	N	Existing system, no CAP required.
Community	8562512	Heritage Green Condominium Asso.	N	Not active. CAP requested
Community	4341812	Pine Ridge Apartments	N	No longer PWS
Community	1565412	Vos Creek	N	Not active. Will request CAP
Community	1841012	Columbia Park MHP	N	Existing system, no CAP required
Community	7675212	Woodbury Glen Condominiums	N	Recently did well site, need to request CAP
NTNC	3849112	Valley View Oak LLC	N	Existing system, no CAP required
NTNC	7674312	Custom Poly Bag Inc	N	Existing system, no CAP required
NTNC	1565212	Knox Elem. School- West Branch	Y	
NTNC	7729912	Riverside Alliance Church	N	Existing system, no CAP required
NTNC	446112	Ken Forging Inc	N	Existing system, no CAP required
NTNC	7700001	Clinton Machine	N	Existing system, no CAP required
NTNC	7674712	Warstler Brothers Landscaping	N	Existing system, no CAP required
NTNC	2873912	ICASI Culinary School	N	New well drilled; need DPs and CAP
NTNC	1042612	Carrolton Early Childhood Ctr	N	Tyng-in to existing PWS
NTNC	7675112	Miller Weld Master	N	Existing system, no CAP required
NTNC	5041512	Damascus Elementary Schl	Y	
Community	4845912	Medusa Homes	N	Currently not active PWS
NTNC	3233212	Winkoe Office & Storage Condo.	N	Opted to structure as a private water system
NTNC	7056312	Hunter Protective Systems	N	Existing system, no CAP required
NTNC	254212	Allen East Local Sch District	N	In plan review, CAP submitted July 2005
NTNC	5441612	Maplewood of Shane's Village	N	Existing system, no CAP required
NTNC	2637712	Amy's Academy Daycare	N	In plan review, CAP submitted July 2005
Community	530812	Bishopville W&S #2	Y	Existing system, no CAP required
Community	530912	Bishopville W&S #3	Y	Existing system, no CAP required
NTNC	3439212	CAM Ohio LLC	N	System is proposed, no plans yet
Community	3101312	Lotton MHP	N	Existing system, no CAP required
Community	7541912	Russia	N	Not active. CAP requested
NTNC	5553012	First Baptist Church of Covington	N	Existing system, no CAP required
NTNC	5552112	First Baptist Church of W. Covington	N	Renamed to above system
NTNC	5553212	West Charlton Church of the	N	Existing system, no CAP required.

		Brethren		
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SFY 2004 Systems added to DRINK, activated in SFY 2005 (plans approved and operations began)

System Type	PWS ID	System Name	Active/ Proposed	Did CAP?	If no, why not?
NTNC	2873712	Kenston High School	Active	Y	
NTNC	7854712	Joseph Badger School	Active	Y	

A new water system is defined in Ohio Administrative Code Rule 3745-87-01(A) (Definitions) as: **“new community and non-transient non-community public water system” means any water system that meets the definition of a community or non-transient non-community public water system in chapter 3745-81 (Primary Drinking Water Rules) of the administrative code by constructing infrastructure.** New systems include both CWSs and NTNCs being newly constructed as well as systems which do not currently meet the definition of a public water system (PWS) but which expand their infrastructure and thereby grow to become CWSs or NTNCs. Systems which are not currently PWSs and which add additional users and thereby become CWSs or NTNCs **without constructing any additional infrastructure** are **not** “new systems” for the purposes of the capability assurance program.

Capability assurance plans were received and accepted for four new non-transient non-community water systems who obtained plan approval and initiated use of their system. Proposed new systems which are in the planning stage have been informed of the capability assurance plan requirement. Systems not submitting capability assurance plans were newly discovered existing systems, became public water systems due to population increases without the construction of additional water supply infrastructure, or became new systems due to change in ownership or consolidation. Bishopville was the only community public water system to submit a capability assurance plan this year, but it is an existing system. The plan was submitted due to the loan the system received from the WSRLA program.

1.3.5 identify persons that have an interest in and are involved in the development and implementation of the capability assurance strategy (including all appropriate agencies of Federal, State, and local governments, private and nonprofit public water systems, and public water system customers). The Ohio EPA continues to maintain a list of persons that have an interest in and are involved with the development and implementation of public drinking water.

Finally, DDAGW established a Drinking Water Advisory Committee during 2001 to provide input on the development of state and federal rules, recommend improvements to existing programs, and to identify funding options for state and local needs. This group consists of representatives from 20 different organizations. This group was consulted in SFY04 to review and comment on revised capability assurance rules and guidance (no immediate concerns from the group) and may be consulted again during SFY06 as the changes are made.

Conclusions

The Ohio Capability Assurance strategy has only been partially implemented to date due to limited resources and other priorities. As discussed in the report, greater activities including revising the capability assurance rules and updating the corresponding guidance occurred in SFY 2005. Finalizing the rules and guidance will occur during SFY 2006.

During SFY05, all required capability assurance reviews were performed for all WSRLA loan applicants. Capability assurance reviews were completed for four new non-transient non-community water systems who obtained plan approval and were activated. Regulatory requirements resulting from sanitary surveys were enforced. Capability assurance requirements were included in enforcement actions where appropriate and voluntarily agreed to by the water systems.

Ohio continues to look at capacity assurance using compliance data and new compliance assurance initiatives. The increased use in reminder postcards and the Listserv email service are two examples of initiatives that have increased compliance and hence capacity of Ohio's systems. Overall from our annual compliance report data an overall increase in compliance for both monitoring and reporting, and maximum contaminant level violations were noted.

Ohio continues to look for new ways to assist public water systems. An internal workgroup is in the piloting and implementation stages to change the required components and frequency of sanitary surveys and the other ways in which the division can collect and share information with public water systems. The workgroup has included capability assurance questions in the sanitary survey. Ohio expects to pilot the new sanitary survey which includes capability assurance criteria during SFY 2005 and anticipates full implement of the new process on July 1, 2006.

For SFY05, we continued a compliance assurance position in Ohio EPA's Northeast District Office whose main activity is assisting small systems in obtaining and maintaining compliance. Please see the SFY05 Small Systems Technical Assistance Set-aside Report for more detailed information about the small system technical assistance program.

During SFY 2004, DDAGW combined the Operator Certification, WSRLA, and the Operations Technical Assistance Programs under the Operations and Financial Assistance Section to provide a greater emphasis on the Capability Assurance Program. During SFY 2005, Ohio continues to update our capability assurance rules to include language that will trigger existing public water systems to complete a capability assurance plan if specific violations and concerns are identified by the survey officer which will tie into the new sanitary survey process. Ohio is in the midst of updating our capability assurance program guidance to include the rule changes and also restructure the document so it is easier for systems to use.

Finally, DDAGW sought comments from the Drinking Water Advisory Committee (DWAC) to evaluate the revised proposed rules and guidance. We will continue to work with DWAC during SFY 2006 to evaluate program implementation and identify program improvements.

Additional Reporting Criteria for Capacity Assurance Report finalized June 1, 2005

Since this is a new initiative, the responses are included at the end of the report this year. Next year, the information will be integrated into the report.

I. State Capacity Development Program Annual Reporting Criteria

A. New Systems Program Annual Reporting Criteria

1. Has the State's legal authority (statutes/regulations) to implement the New Systems Program changed withing the previous reporting year?

Response: No

2. Have there been any modifications to the State's control points?

Response: No

3. List new systems (PWSID and name) in the State within the past three years, and indicate whether those systems have been on any of the annual Significant Non-Compliers lists (as generated annuallyby EPA's Office of Enforcement and Compliance Assurance).

Response: Listed all new systems though some may not be activated to date. Two systems are considered a SNC using our violations database. FD Hardwoods has returned to compliance. Just 4 KidzChildcare and Learning Center has not. The system is currently being evaluated for further enforcement.

PWSID	NAME	ON SNC LIST
6503703	Village of Orient	No
7709412	Firestone Trace	No
6333512	Country Inn	No
7902203	Mine's Golf Resort	No
6045012	E. Muskingum Water Authority- Chandlersville	No
7902303	Village of Roswell	No
4945212	Jonathan Alder High School	No
2871712	Lechman and Lechman Office Building	No
3848712	FD Hardwoods	Yes
2872012	Bainbridge Township Police Station	No
3335412	Child Laugh n Learn	No
3740012	Hocking Hills Elementary School	No
3740212	Chieftain Elementary School	No
6045112	Dresden Energy Corporation	No
7541312	Plastipak Storage	No
2873412	Just 4 Kidz Childcare and Learning Center	Yes
2873712	Kenston High School	No
7854712	Joseph Badger School	No
2957812	NBA, Inc.	No

5552812	Miami East Schools	No
4564712	Buckeye Lake Water District	No
4564812	Licking Valley Elementary Schools	No
PWSID	NAME	ON SNC LIST
8562512	Heritage Green Condominium Association	No
7675212	Woodbury Glen Condominiums	No
1565212	Knox Elementary School- West Branch	No
2873912	ICASI Culinary School	No
5041512	Damascus Elementary School	No
254212	Allen East Local School District	No
2637712	Amy's Academy Daycare	No
3439212	CAM Ohio LLC	No

B. Existing System Strategy

1. In referencing the State's approved existing systems strategy, which programs, tools, and/or activities were used, and how did each assist existing PWS's in acquiring and maintaining TMP capacity? Discuss the target audience these activities have been directed towards.

Response: See 1.3.1. of this report.

2. Based on the existing system strategy, how has the State continued to identify systems in need of capacity development assistance?

Response: See 1.3.1. of this report.

3. During this reporting period, if statewide PWS capacity concerns or capacity development needs have been identified, what was the State's approach in offering and/or providing assistance?

Response: See 1.3.1. of this report.

4. If the State performed a review of implementation of the existing systems strategy during the previous year, discuss the review and how findings have been or may be addressed.

Response: See 1.3.1. of this report.

5. Did the State make any modifications to the existing system strategy? If so, describe.

Response: Yes, see 1.3.1. of this report.