



State of Ohio
Environmental Protection Agency
Division of Drinking and Ground Waters

**Drinking Water State Revolving Fund
Small Systems Technical Assistance
Set-Aside Annual Report for
Program Year 2009**



August 26, 2009

Ted Strickland, Governor
Chris Korleski, Director

The Safe Drinking Water Act, section 1452 requires that states submit a biennial report to U.S. EPA's regional administrator on the state's activities that receive funding under this section. This Small System Technical Assistance Set-Aside Annual Report is being submitted in compliance with this requirement.

Ohio EPA administered a Small Systems Technical Assistance Program utilizing one assistance provider during program year (PY) 2009. W.S.O.S. Community Action Commission, Inc., /Great Lakes Rural Community Assistance Program (Ohio RCAP) was under agreement to provide small system managerial and financial assistance.

I. Funding

During PY 2009 Ohio EPA used funds available from the FFY 2004 and FFY 2005 technical assistance grant set-asides, (grant account numbers FS985954-04 and FS985954-05.)

The technical assistance agreement with W.S.O.S. Inc. /Ohio RCAP was in effect from July 1, 2008 through June 30, 2009 and funded with a grant in the amount of \$518,937.00.

II. Full Time Equivalent (FTEs)

In PY 2009, Ohio RCAP allocated 5.0 FTEs to fund the activities of eight technical assistance coordinators who supplied technical, managerial, and financial training to Ohio public water systems serving populations of 10,000 or fewer. The Ohio EPA Northeast District Office (NEDO) had 0.5 FTE dedicated to providing technical assistance to small systems with less than 250 in population. This position terminated in January 2007 when NEDO's small systems coordinator left the position. The staffing issue is resolved and the position duties resumed in November 2008.

III. Goals and Objectives

The goals and objectives for the Drinking Water State Revolving Fund (DWSRF) Small System Technical Assistance program for PY 2009 were as follows:

1. Assist small systems with the preparation of applications for the DWSRF including determining the ability to repay.
2. Assist in meeting state and other crosscutting requirements of the application.
3. Assist with locating and procuring sources of funding in addition to the DWSRF.
4. Assist with determining the most cost effective option for a public water supply to access safe drinking water.
5. Assist systems with readiness to proceed issues.
6. Assist systems in the development and/or completion of all components of the capability assurance documentation.
7. Assist systems by offering seminars for small systems utility board training, rate setting training, and asset management training.

During PY 2009, Ohio continued a technical assistance position at the Northeast District Office (NEDO) to identify and assist small public water systems with compliance. Attachment C contains information taken from monthly reports; it details activities and successes for PY 2009. The following objectives are specific to the Ohio EPA NEDO technical assistance position:

8. Assisting local systems with priority on public health-based issues using the water use advisory list, Significant Non-Compliers (SNC), and Ground Water Under the Direct Influence (GWUDI) of surface water.
9. Assisting systems with long term boil advisories. Any system with an advisory longer than eight weeks is determined to be in need of technical assistance.
10. Work with public water systems that have multiple monitoring and reporting violations in consecutive quarters, using the violation database as a reference.
11. Visit individual water systems, providing both training and direction.
12. Provide assistance with sample siting plans, contingency plans, detail plan process, consumer confidence reports, and corrosion control recommendations.

IV. Program Accomplishments

Ohio RCAP provided services under the Drinking Water Technical Services Set-Aside during PY 2009. Their services are offered to public water systems with 10,000 population or fewer. Attachment A contains information taken from quarterly reports; it details activities and sites that received assistance during the program year. The goals and objectives for the Ohio RCAP grant agreement for PY 2009 were as follows:

Objective 1: Assist small systems with the preparation of applications for the DWSRF including determining the ability to repay.

During PY 2009, Ohio RCAP assisted 45 systems in preparation of applications for loans, including:

- six planning and design loan applications;
- 19 construction loan applications;
- 47 pre-applications for the new project priority list (PPL); and
- 27 disadvantaged community applications were completed.

As part of the requirements to apply for American Recovery and Reinvestment Act funding, Ohio RCAP assisted 28 systems with entering a project nomination into the governor's Web site for 34 applicants.

At year-end, 11 loans were in process. Attachment A indicates the activities undertaken throughout the year for each system assisted.

Objective 2: Assist in meeting state and other crosscutting requirements of the application.

Sixteen systems were assisted in meeting state and other crosscutting

requirements. These systems all requested to have an income survey completed as part of the loan application.

Objective 3: Assist with locating and procuring sources of funding in addition to the DWSRF.

Ohio RCAP coordinates financing packages for systems using Ohio Department of Development's Community Development Block Grant (CDBG) program, Ohio Water Development Authority (OWDA), Ohio's Issue 2 Program, and the Rural Development grant/loan program for water infrastructure development. There were 20 systems (28 applications) assisted in procuring some or all funding from sources other than the WSRLA.

Objective 4: Assist with determination of the most cost effective option for a Public Water Supply to access safe drinking water.

There were eight systems aided by Ohio RCAP in selecting the most cost effective and affordable option to obtain safe drinking water.

Objective 5: Assist systems with readiness to proceed issues.

In PY 2009, four water systems requested assistance in making readiness to proceed decisions. In a sense, nearly all of the systems working with Ohio RCAP required decisions about some aspect of readiness to proceed issues.

Objective 6: Assist systems in the development and/or completion of all components of the capability assurance documentation.

- During PY 2009, 21 capability assurance plans (CAPs) were completed;
- Seven CAPs were in progress at year-end;
- 19 systems required rate studies and recommendations for increases; and
- 49 systems total were assisted in this category.

Objective 7: Assist systems by sponsoring training seminars for: small systems utility board training, financial management, and asset management, budget and rate setting training.

Ohio RCAP increased their emphasis on providing training courses to water boards and system operators. To this end, Ohio RCAP held 20 training sessions throughout the state to provide water board training. This training was aimed at providing water boards a better appreciation of planning for operational expenses, emergency measures, equipment replacement, laws, and regulations, funding sources, rate setting, and other aspects of operating a successful water supply. Each course is a one-day training session with resource materials in a take-home binder, plus a CD of functional programs with examples for accounting use.

- Five courses of Utility Management for Local Officials were held throughout Ohio. This course explains the three capability components; managerial, technical and financial.
- Five courses of Financial Management for Local Officials were held at various locations in Ohio. This course focuses on establishing and operating a water system under good financial policies and adequate record keeping.
- 10 courses of Asset Management, Budgeting and Rate Setting for Local Officials were held throughout Ohio. This course covers the future needs of a water system through implementation and constant monitoring of an established financial plan.
- The Rate Setting Course (401) anticipated to be implemented during this contract period was delayed due to problems with U.S. EPA's CUPSS software. The funds earmarked for the 401 training courses was redirected to fund Ohio RCAP staff's increased work on assisting small systems with the American Recovery and Reinvestment Act application process and required documentation submittal.
- Ohio RCAP also presented a short course project development training to 3 small systems (Buckeye Lake, Spring Valley, LaRue)

A report of activities for PY 2009 is included in *Attachment A*. Additional information about Ohio RCAP training and two success stories for the program year is included in *Attachment B*.

Attachment A

SUMMARY OF ACTIVITIES COMPLETED BY GREAT LAKES RCAP/WSOS CAC, INC. UNDERDWSRF TECHNICAL ASSISTANCE GRANT

Final Report for 7/1/08 – 6/30/09

This report is written to reflect the work completed against the grant objectives. RCAP had a total of 83 projects enrolled during the year. A brief listing of communities served follows each objective.

Objective 1: Assist small systems with the preparation of application for the DWSRF including determining the ability to repay.

Planning and Design Application Completed (6): Blanchester (2), New Holland, Manchester Farms (2), Scioto

Construction Loans Completed (19) Aberdeen, Bear Creek, Bellaire, Buckeye Lake, Columbus Grove (2), Cumberland, Dresden, Hamden, Jackson, Jackson Co., Meadowood, Old Straitsville Water Assoc., Pike Water Inc., Pomeroy, Powhatan, Rockford, Tri-County Water Assoc., Woodsfield

Pre-applications Completed for new Priority List (47): Blanchester (5) , Buckeye Lake, Buckeye Water District (2), Carrollton, Coalton, Convoy, Cumberland, Frankfort, Gallipolis, Jewett, Lakemore (3), LaRue, Middleport, New Carlisle (4), New Holland (2), Northview Utility Corp., Oak Hill, Pike County, Quincy, Racine, Rayland, Roseville, Russells Point, Salineville, Scioto (7), Walnut Hills, Wellston (4)

Disadvantaged Applications Completed (27): Blanchester (2), Buckeye Lake, Buckeye Water District (Wellston), Carrollton, Coalton, Convoy, Cumberland, Frankfort, Gallipolis, Jewett, LaRue, Middleport, New Holland, Oak Hill, Quincy, Racine, Rayland, Roseville, Russells Point, Salineville, Scioto (4), Wellston (2)

Loans in Progress (11): Cardington, Coal Grove, Enon, Harrisburg, Wellston - Jenkins Rd., Millersport, LaRue, Northview Utility Corp., Salineville, Shawnee, Walker School

Objective 2: Assist in meeting State and other crosscutting requirements of the application. (16 communities assisted)

- Bellaire – took pictures for environmental report
- Coal Grove – provided photos and maps for environmental report
- Columbus Grove(tank) – took pictures for environmental report
- Dresden – working on the preparation of the environmental report
- Frankfort – started income survey
- Jackson – working on the preparation of the environmental report

- Jackson Co. – field work conducted for environmental report
- Middleport - working on the preparation of the environmental report
- Pike Water Inc. – field work conducted for environmental report
- Powhatan – took pictures for environmental report
- Quincy - conducted income survey
- Rayland - working on the preparation of the environmental report
- Shawnee – working on the preparation of the environmental report
- Tupper's Plains – working on the preparation of the environmental report
- Wellston (Honeysuckle Road) – working on the preparation of the environmental report
- Wellston (Jenkins Road) - took pictures for environmental report
- Woodsfield – completed environmental report

Objective 3: Assist with locating and procuring sources of funding in addition to the DWSRF. (32 communities assisted)

- Blanchester (SR28) – Ohio Public Works Commission (OPWC) application
- Blanchester – Entered 3 projects to governor's stimulus Web site and appropriation requests to senators/congressman
- Buckeye Water District (Wellston) – Appropriation request to senator and congressman
- Cadiz (Jameson Ave) – Community Development Block Grant (CDBG) application prepared, Appalachian Regional Commission (ARC) application
- Carrollton – Ohio Water Development Authority (OWDA) construction application prepared, prepared OWDA design loan application, reviewed OPWC application, assisted with entering project information on governor's stimulus Web site
- Coalton – ARC project profile prepared, appropriation application for Senator Brown's office, appropriations requests submitted to senators and congressman, assisted with entering project information on governor's stimulus Web site
- Convoy – Assisted with entering information on governor's stimulus Web site
- Cumberland – OPWC application, appropriations requests submitted to senators and congressman, assisted with entering project information on governor's stimulus Web site
- Frankfort - Appropriations requests submitted to senators and congressman, assisted with entering project information on governor's stimulus Web site, prepared United States Department of Agriculture (USDA) pre-application and ARC project profile
- Gallipolis – OPWC application completed, working on OWDA application, assisted with entering information on governor's stimulus Web site
- Hillsboro – Assisted with entering information on governor's stimulus web site
- Jewett – Assisted with entering information on governor's stimulus Web site

- Lakemore - Prepared Village Capital Improvement Fund design loan application, assisted with entering information on governor's stimulus Web site, appropriation request submitted to senator and congressman
- Leesburg – Assisted with entering information on governor's stimulus Web site
- Lucas - Assisted with entering information on governor's stimulus Web site
- Middleport - Assisted with entering information on governor's stimulus Web site
- Morrow - Assisted with entering information on governor's stimulus Web site
- New Holland – Appropriations requests submitted to senators, assisted with entering information on governor's stimulus Web site, OPWC application
- New Vienna - Assisted with entering information on governor's stimulus Web site
- Oak Hill – ARC project profile prepared, appropriation requests submitted to senators and congressman, assisted with entering information on governor's stimulus Web site
- Quincy - Assisted with entering information on governor's stimulus Web site
- Racine - Assisted with entering information on governor's stimulus Web site, Appropriation request submitted to Senators and Congressman
- Rayland – Assisted with entering information on governor's stimulus Web site
- Roseville - Assisted with entering information on governor's stimulus Web site
- Russells Point – CDBG application prepared
- Salineville - Appropriation request submitted to senator and congressman, assisted with entering information on governor's stimulus Web site, presented project at the Ohio Small Community Environmental Infrastructure Group (SCEIG) meeting
- Scioto - Assisted with entering information for four projects on governor's stimulus Web site, appropriation request submitted to senators and congressman
- South Solon - Assisted with entering information on governor's stimulus Web site
- Spring Valley - Assisted with entering information on governor's stimulus Web site
- Walnut Hills – Assisted with entering information on governor's stimulus Web site, working on Safe Water Fund application
- Wellston – 2 Appropriation requests submitted to senators and congressman, assisted with entering information for two projects on governor's stimulus Web site
- Wellston (Honeysuckle Road) – OPWC application
- Wellston (Jenkins Road) – OPWC application
- West Liberty – Assisted with entering information on governor's stimulus Web site
- Woodsfield's Ruble Lake – ARC application, working on OWDA application

Objective 4: Assist with determining the most affordable option for a community to access safe drinking water. (8 communities assisted)

- Aberdeen – Designed financing plan
- Cadiz – Designed financing plan
- Carrollton – Designed financing plan
- Coal Twp. – Assisted with researching funding for extending waterlines to Buffalo Skull Road
- Frankfort – Updated financing plan
- Lakemore – Designed financing plan
- Middleport – Designed financing plan
- Rayland - Prepared Funding Scenario spreadsheet

Objective 5: Assist systems with readiness-to-proceed issues for funding, including hiring an engineer, developing a project schedule, obtaining cost estimates, completing data collection for project, defining the need and obtaining supporting documentation, description of the proposed project, project alternatives considered and why rejected. (4 communities assisted)

- Cumberland – conducted project development short course training, revised water sale analysis
- Frankfort – conducted project development short course training
- LaRue – assisting with procuring an engineer
- Manchester Farms – assisted with bidding

Objective 6: Capacity development technical assistance will focus on the management of the system. This will include issues relating to: utility planning, identifying both direct and indirect operation and maintenance costs, developing budgets, cost recovery, types of financing resources, financial plan development, and marketing utility products and services to consumers. Management assistance will also be provided and will focus on the responsibility of the governing board. In addition, Ohio RCAP will work with Ohio EPA to facilitate the public involvement process in the state's capacity development strategies. (22 communities assisted)

- Addyston – rate study completed
- Ayersville – rate study completed
- Bishopville – working on rate structure
- Buckeye Lake – presented design short course training
- Dresden – updated capability assurance plan
- LaRue – presented project development short course
- Leesburg – rate study conducted (rate recommendation was enacted)
- Lithopolis – rate study completed and rate increase implemented
- Morrow – working on water rate study
- Mt. Gilead – rate study completed

- New Carlisle – implemented a small rate increase and worked with water and wastewater operators on principles of asset management
- Newcomerstown – working on rate study
- Racine – rate study completed
- Rayland – rate study completed
- Sabina – rate study completed
- Sardinia – working on rate study
- Spring Valley – working on rate study, presented short course training on asset management/rate setting, working on rate study
- South Solon – working on rate study
- Sugar Creek – completed rate study and implemented new rates
- Upper Sandusky – working on water rate study
- Warren – working on rate study
- Wellston – working on rate study

CAPs completed (21): Bear Creek, Bellaire, Blanchester WTP, Cardington, Columbus Grove, Crooksville (financials) Cumberland, Hamden (financials), Highland Ridge, Jackson (financials), Jackson Co., Manchester Farms, Meadowood, New Holland, Old Straitsville Water Association (financials), Pike Water Inc., Pomeroy (financials), Powhatan, Rockford, Tri-County (financials), Woodsfield

CAPs in progress (7): Harrisburg, LaRue, Northview Utility Corp., Salineville, Walker Elementary School, Walnut Hills, Shawnee

Objective 7: Provide Utility Board Member Trainings

Date	Location	Course	# of Participants	# of Systems
7/23/08	Warren, Trumbull County	Utility Mgmt.	23	7
11/8/08	Newark	Utility Mgmt.	10	6
11/18/08	Pomeroy	Utility Mgmt.	23	13
12/2/08	Hamilton	Utility Mgmt.	23	10
12/17/08	Defiance	Utility Mgmt.	32	17
		Total Utility Mgmt. -5	111	53
11/12/08	Newark	Financial Mgmt.	18	12
11/20/08	Trumbull Co.	Financial Mgmt.	10	7
11/19/08	Pomeroy	Financial Mgmt.	22	12
12/3/08	Hamilton	Financial Mgmt.	15	10
12/18/08	Defiance	Financial Mgmt.	27	14
		Total Financial Mgmt. -5	92	55
12/4/08	Hamilton	Asset Mgmt.	9	7
3/11/09	Zanesville	Asset Mgmt.	33	19
3/17/09	Sidney	Asset Mgmt.	12	7
3/18/09	Defiance	Asset Mgmt.	14	10
3/31/09	Newark	Asset Mgmt.	12	7
04/01/09	Massillon	Asset Mgmt.	14	9
04/07/09	Pomeroy	Asset Mgmt.	24	11
04/08/09	Plain City	Asset Mgmt.	15	7
04/15/09	Findlay	Asset Mgmt.	19	13
04/20/09	Warren	Asset Mgmt.	17	10
		Total Asset Mgmt. -10	169	100

The 10 Rate Setting (401) training courses were placed on hold due to the CUPSS issues and additional technical assistance work as a result of the stimulus. Additional technical assistance was provided to communities (as a result of ARRA) in lieu of these 10 trainings.

Other:

Leveraged Funds 2008-2009 year to date: \$4,601,300

Aberdeen	\$ 70,000 (WSRLA)
Blanchester	\$ 797,084 (OPWC)
	\$ 88,754 (WSRLA)
Carrollton	\$1,104,205 (OWDA)
	\$ 168,588 (OWDA)
Lakemore	\$ 32,905 (VCIF)
McCartsville	\$ 147,707 (WSRLA)
Meadwood Water Assoc.	\$ 132,742 (WSRLA)
Rush Run	\$ 779,505 (WSRLA)
	\$ 500,000 (WSRLA)
	\$ 200,000 (ARC)
Salineville	\$ 500,000 (OPWC)
Scioto	\$ 49,810 (WSRLA)
	\$ 30,000 (CDBG)

Attachment B

With funding from Ohio EPA and other sources, Ohio RCAP has designed and implemented a series of training courses aimed at Officials responsible for the operation and funding of water systems. Descriptions of these courses are as follows:

Utility Management for Local Officials (Course 101)

Participants will be able to manage a water or sewer utility and develop their technical, managerial, and financial capability. Participants will be able to identify their responsibilities regarding operations, rules, open meeting laws and other laws impacting small water and wastewater systems, staffing, hiring consultants, project financing with loans, grants, rate setting, records keeping, income and expenses, budgeting, planning, and all aspects of utility operation. Participants will be able to develop capability for maintaining or achieving compliance with laws and regulations to provide a quality safe product at reasonable rates.

Financial Management for Local Officials (Course 201)

Building on the information provided by the Ohio RCAP 101 course, participants will be able to evaluate financial policies and procedures; develop record systems to make sound decisions on budgets, rates, and capital purchases; manage assets, income, expenses, debt, and reserves. Participants will be able to develop short and long-range plans for providing safe and quality services at a reasonable cost. Participants will be introduced to asset management as a mechanism of good stewardship of their utility. Participants will be able to implement sound financial processes, plans, and strategies for their utility. As a prerequisite, the Utility Management for Local Officials is recommended but not required.

Asset Management, Budgeting & Rate Setting for Local Officials (Course 301)

Participants will be able to evaluate financial needs of operating a water or sewer utility and set rates for services that cover the cost of operations, maintenance, repair, and replacement of the infrastructure assets. Participants will consider actual cost and changes in local conditions as a basis for budgeting expenses, debt service, and requires reserves. Additionally the participants will consider the capital needs of their infrastructure and the availability of loans and grants to cover capital costs along with the development of a rate structure that fits the needs of the community. Participants will determine short and long-term strategies for financing the needs of the utility and be able to deal with customer expectations and concerns. As a prerequisite, the Ohio RCAP 101 and 201 courses are recommended but not required.

Rate Setting for Local Officials (Course 401)

This course continues the topics of the Asset Management, Budgeting and Rate Setting for Local Officials seminar and will involve the implementation of tools, including CUPSS software recently developed by U.S. EPA and computer programs, to develop asset management plans and rate schedules for individual participants to meet the needs of their individual systems. Each participant will have access to a computer and will implement skills learned throughout the

seminar. Participants will have the knowledge, tools, and software to set their own rates and explain these rates to their customers. As a prerequisite, the Ohio RCAP 101, 201, and 301 courses are recommended but not required. Additionally Ohio RCAP will provide each participant with free software that can be used for setting rates and managing the assets of the utility.

Highlight of PY 2009 Activities The Village of Buckeye Lake and Jackson County Water Company

The Village of Buckeye Lake

Basis for project

Buckeye Lake remains one of the largest villages in the state without a public drinking water system, though it has been planning one for many years. There have been a number of public health concerns resulting from the current wells and small public water systems on which the village relies. Many of the small businesses in Buckeye Lake have struggled to comply with regulatory standards. The new system is expected to rectify these issues by tying in about two dozen small public water systems.

Project area

The village of Buckeye Lake is located along the north central shoreline of Buckeye Lake, situated in the southeastern portion of Licking County. The project boundaries were determined through contact with the village of Buckeye Lake and include the incorporated village and immediately adjacent areas. Land use is predominately single-family residential houses on small lots.

Residents in the village of Buckeye Lake rely primarily on individual residential wells for their water supply. Due to the small lot size of homes in the village, wells do not have a proper isolation radius and are subject to contamination. The new public water system will eliminate these concerns.

Project funding sources

During a groundbreaking ceremony attended by federal, state, regional and local dignitaries on June 24, 2009 Ohio EPA announced \$6,615,297 has been slated for the village of Buckeye Lake to help establish a drinking water distribution system at a much more affordable rate for residents. An interest-free, 30-year loan worth more than \$1.6 million from Ohio EPA's Water Supply Revolving Loan Account (WSRLA) will supplement \$5 million made possible by the American Recovery and Reinvestment Act (ARRA). Water system customers in Buckeye Lake should save approximately \$3.8 million in interest by financing the project with the ARRA money and interest-free WSRLA loan.

Funding Source	Amount (\$)
Federal ARRA Funds	\$5,000,000
Ohio EPA WSRLA	\$1,615,297
Ohio Department of Dev. CDBG	\$400,000 *
Ohio Public Works Commission	\$292,015 *
	*Amount will be final after construction is complete.
Total Project Funding	\$7,307,312

Project description

The project includes construction of a new distribution water system consisting of approximately 13 miles of water mains sizing from six inches to 12 inches, a 0.5 MG elevated storage tank and booster station.

Construction is underway on the system – Buckeye Lake is installing nearly 67,000 feet of water lines, a pump station and a storage tank to be able to connect to the nearby village of Millersport’s drinking water source. Millersport also plans to receive federal and state funding to construct larger lines to service Buckeye Lake. The system will serve nearly 1,200 households and be operational in July 2010. The total cost of the project is approximately \$7 million.

The Ohio Rural Community Assistance Program (Ohio RCAP) was instrumental in providing the village with the assistance needed to accomplish the work necessary to have a successful project.

Ohio RCAP began working with the village in late 2005 and soon after the village decided to purchase water from the village of Millersport at a reasonable rate and proceeded with the task of developing a distribution system. Ohio RCAP provided technical assistance to the village with training and on-site advice through the beginning of construction in 2009. Ohio RCAP prepared the Capability Assurance Plan (CAP) and the Drinking Water State Revolving Fund (DWSRF) application for a design loan. The CAP included rate ordinances, financial forecasts, rules and regulations and other documents indicating the technical, managerial and financial capacity of the village for operating a water system. Ohio RCAP provided the templates for the documents assisted the village in completing them and Ohio RCAP completed several of the documents in the CAP and presented those to the village for adoption.

Most of the village council, mayor and village staff attended the Ohio RCAP training seminars: Utility Management for Local Officials, Financial Management for Local Officials and Asset Management, Budgeting and Rate Setting for Local officials. This amounted to over 15 hours of classroom style training. Also, the village had Ohio RCAP conduct the Project Development Short course at a council meeting. In addition to the training, Ohio RCAP prepared for two public hearings on the water project in which the proposed project was discussed in length and all were advised of next steps and what to expect.

Ohio RCAP prepared loan and grant applications for construction which included the American Recovery and Reinvestment Act DWSRF application, an Ohio Department of Development Community Development Block Grant (CDBG) application and developed the supporting documents and legislation required by funding agencies for the respective programs.

Ohio RCAP attended council meetings regularly and prepared many of the ordinances required for funding and implementation of the water project. Once construction is complete Ohio RCAP will assist the village to determine what user rates are needed for the project because bids were better than expected, sign up for the project was significantly higher than expected and the amount of loan to be repaid was much lower than expected at the time when user rates were passed.

Ohio RCAP is very proud to have worked with Ohio EPA, Buckeye Lake and the various funding agencies to be able to serve the citizens of Buckeye Lake in making a long term dream become real.

Project impact

Federal and state funding will help make the Buckeye Lake drinking water distribution system much more affordable for village residents and businesses and bring quality drinking water and other health, safety, environmental and economic benefits to the community.

Construction is underway on the system – the top ranked drinking water project in Ohio and one of the first in the state to be significantly funded by federal stimulus money. The system is expected to service nearly 1,200 households and be operational in July 2010. The total cost of the project is approximately \$7 million. Water system customers in Buckeye Lake are estimated to save approximately \$3.8 million in interest by financing the project with the ARRA money and interest-free WSRLA loan.

This is a win-win for Buckeye Lake and Millersport. In using some of its excess capacity, Millersport will collect approx \$300,000 per year from Buckeye Lake allowing Millersport to keep their water rates down for many years to come.

Jackson County Water Company

Basis for project

The Vinton County Water Company (VCWC) is a not for profit water system serving 640 water customers in south central Ohio. The system purchases water from the city of Wellston which uses a surface water source for their drinking water. The amount of detention time in the long distances of waterlines between the city of Wellston's master meter and VCWC's customers results in the system exceeding the Maximum Contaminant Level (MCL) of Trihalomethane (TTHM). The repeated violation of this standard has resulted in enforcement action being taken against VCWC which included a fine by Ohio EPA. Due to the number of customers, the system's financial struggles, and problems retaining operators, VCWC currently contracts with Jackson County Water Company (JCWC) to operate the system. VCWC previously tried to sell the system to JCWC but was repeatedly unable to obtain the necessary votes by its members. VCWC asked the Ohio Rural Community Assistance Program (Ohio RCAP) to complete a rate study and recommended a course of action to the board of directors. Ohio EPA also requested Ohio RCAP to work with the community to correct its problems.

Project area

VCWC serves the unincorporated areas of south and central Vinton County and lines extend over several townships. Being a not-for-profit corporation, its service area is defined by its existing lines. Approximately 640 residential sized customers are served by VCWC.

Project funding sources

As a result of work performed by Ohio RCAP, VCWC was able to persuade its members to allow JCWC to take over the distribution system and construct a transmission main to serve the former VCWC customers from JCWC's ground water source.

An interest-free, 30-year loan worth more than \$300,000 from Ohio EPA's Water Supply Revolving Loan Account (WSRLA) will supplement \$1.2 million made possible by the American Recovery and Reinvestment Act (ARRA).

Funding Source	Amount (\$)
Federal ARRA Funds	\$1,200,000
Ohio EPA WSRLA	\$ 300,000
Total Project Funding	\$1,500,000

Project description

The project includes construction of a water line to connect customers to ground water to correct the compliance problems. Approximately two miles of 8" line is to be installed with appurtenances, a master meter and emergency connection for Hamden, and meters and telemetry replacement for VCWC will be completed. This project will also allow JCWC to serve approximately 240 of its existing customers from their groundwater treatment plant instead of purchasing water from the city of Wellston for this "G line" system.

Ohio RCAP summary of activities

Ohio EPA and the owner requested that Ohio RCAP analyze the financial condition of the utility and make a recommendation to the owner for options to correct the problems of exceeding the MCL for TTHMs in the system. Further Ohio RCAP was asked to facilitate member meetings with those recommendations and to move the utility toward the best alternative to bring the system back into full compliance.

Ohio RCAP collected data to analyze the last five years of finances. After concluding the review, Ohio RCAP determined rates would need to increase significantly for the system to maintain and correction of the TTHM problem would require even higher rate increases. Subsequently, Ohio RCAP viewed JCWC as a source of water and brought JCWC to the discussion to review those alternatives. After several meetings with Ohio RCAP facilitating the discussions, VCWC and JCWC agreed to consider a purchase agreement with JCWC purchasing the assets of VCWC and adopting its members as JCWC members.

Ohio RCAP launched a public information campaign that included public member meetings, press releases and explained the options with both negative and positive considerations.

The members voted to sell the VCWC to JCWC and will benefit by stable rates that would have been 10 dollars per month per residential customer cheaper and will also allow JCWC to install a short transmission main to members of the former VCWC with treated ground water that will bring all of the system into full compliance with state and federal rules and regulations.

Ohio RCAP has since turned its attention to working with JCWC and securing funding for the purchase and construction through Ohio EPA's Drinking Water State Revolving Fund program. The project is ranked high on the PPL and is expected to be funded in late September 2009.

Attachment C

SUMMARY OF PY 2009 ACTIVITIES COMPLETED BY THE OHIO EPA NORTHEAST DISTRICT OFFICE SMALL SYSTEM TECHNICAL ASSISTANCE POSITION

During PY 2009, Ohio continued a technical assistance position at the Northeast District Office (NEDO) to identify and assist small public water systems with compliance. This year, NEDO focused on data manipulation to identify the most non-compliant water systems related to total coliform monitoring. After identification, a plan was developed to assist the water systems and to track the successes of the program. These efforts have clearly been effective as compliance with monitoring for total coliform bacteria is at an all-time high in NEDO. Not only does NEDO have greater compliance with total coliform monitoring, but NEDO also has fewer enforcement cases related to total coliform.

Table 1 below describes some of the compliance activities that the compliance coordinator has been working on since July 1, 2008 and ending June 30, 2009. Efforts continue into the current program year and data continues to be tracked and progress continues to be made. Of note is the fact that the compliance coordinator is currently assigned to compliance activities for the entire district, is a sanitary survey inspector and is on the Groundwater Rule Workgroup which has not only been meeting monthly, but also working on rule development and implementation.

Figure 1 below depicts the successes to date which demonstrate compliance continues to improve. The chart compares the NEDO Significant Non-Compliers (SNC's) with the federal SNC list and the NEDO maximum contaminant level (MCL) Watch List. The NEDO SNCERS (NEDO term meaning Significant Non-Compliers Enforcement Rank Summary) and NEDO MCL Watch List are used to identify water systems that need extra attention to achieve compliance.

After identification is made, phone calls, pre-enforcement letters, site visits or office meetings are held to describe in detail to the water system owner the requirements a water system must comply with to avoid future enforcement actions.

Since June 2008 when NEDO began this new approach, the number of SNC's in NEDO has decreased by 46 percent. Correspondingly, the number of federal identified SNC's has dropped by 55 percent. The number of total coliform bacteria MCL violations has decreased by 14 percent.

The federal SNC list and the NEDO SNCERS list relate specifically to monitoring violations of small systems. The MCL Watch list relates to water systems which monitor, but continue to receive total coliform positive results. NEDO is currently working on an approach to assist these water systems to ensure long term compliance is achieved and MCL violations are reduced or eliminated.

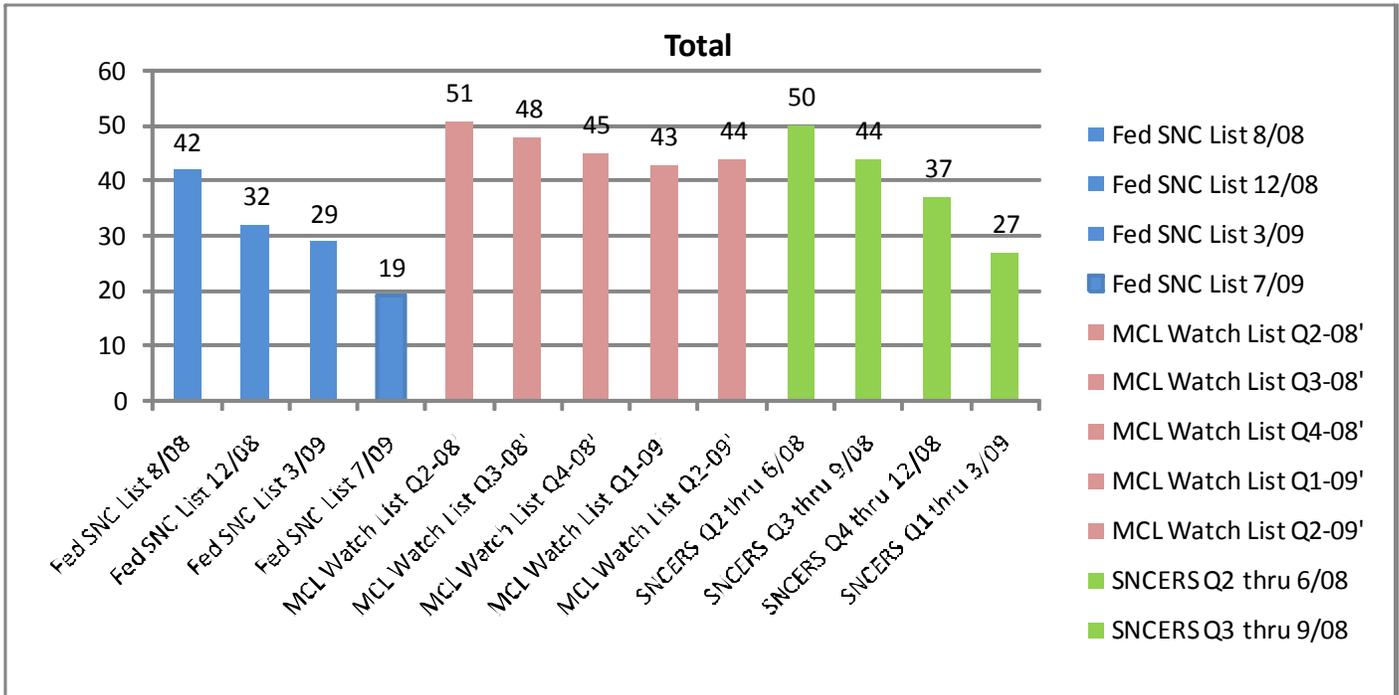
NEDO is also working on identifying water systems that are open seasonally, and typically do not receive enough violations to become Significant Non-Compliers. Efforts to address these water systems will be developed in further detail in the next program year.

TABLE 1:
Compliance coordinator's activities during PY 2009

NEDO Small Systems Technical Assistance Activities July 1, 2008 to June 30, 2009												
Activity	2008						2009					
	Jul y	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June
MCL Technical Assistance Calls	0	6	1	6	7	4	0	2	0	1	0	0
Site Visits MCL Investigations	0	0	2	2	3	1	1	1	1	0	0	0
Enforcement Calls	0	0	0	1	0	4	0	0	2	0	0	0
Facility Meetings at NEDO Compliance Assistance	0	0	0	1	0	0	0	0	0	0	0	0
Sanitary Surveys	0	0	5	0	0	2	2	3	1	3	3	4
GWR Workgroup Meetings	1	1	1	1	1	1	2	1	1	1	1	1
Presentations on Compliance Assistance	0	1	1	1	2	1	2	1	1	0	1	1
MCL Watch List Data Report	1	0	0	1	0	0	1	0	0	1	0	0
SNCERS List Data Report	0	1	0	0	1	0	0	1	0	0	1	0
Seasonality Study of TC (+)	0	0	0	0	0	0	0	0	1	0	0	0

Figure 1:

Comparison of NEDO reports against Federal Significant Non-Complier (SNC) Lists for each quarter. Numbers represent total water systems that are considered SNC's for the time period



MCL = Maximum Contaminant Level

Fed = Federal

SNC = Significant Non-Complier

SNCERS = Significant Non-Comply –ERS (NEDO term SNC Enforcement Rank Summary)