

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

# Capacity Development Program

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

Period of July 1, 2007 to June 30, 2008

**August 2008**

**Governor  
Jon S. Corzine**

**Commissioner  
Lisa P. Jackson**

# **IMPLEMENTATION REPORT**

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## **Introduction**

The 1996 Amendments to the Federal Safe Drinking Water Act (SDWA) require states to prepare an annual report documenting the ongoing implementation of the Capacity Development Program for addressing capacity determinations for new systems and the application of the approved strategy for existing public water systems. This is the New Jersey Department of Environmental Protection's (Department) eighth annual report on the ongoing implementation of the Capacity Development Program.

## **Overview**

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

In accordance with Section 1420 (a) of the SDWA, each state shall have the legal authority to assure that all new community and non-transient non-community water systems demonstrate adequate technical, managerial and financial capacity. In New Jersey, Assembly Bill No. 2615 was signed into law on August 2, 1999 (P.L.1999 Chapter 176). This legislation amended the New Jersey Safe Drinking Water Act (N.J.S.A. 58:12A) to give New Jersey explicit legal authority to require new public water systems to demonstrate capacity. The New Jersey Department of Environmental Protection proposed new regulations at N.J.A.C. 7:10-13 which establish the requirements to assure that all new public community and non-transient non-community water systems have adequate capacity. The Department adopted the new regulations on August 21, 2000 [32 N.J.R. 3106 (a)] and readopted the regulations without changes on November 4, 2004.

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

This report will review the activities conducted from July 1, 2007 through June 30, 2008 regarding implementation of the Capacity Development Program.

## **Approval/Disapproval of New Systems**

### Community Water Systems

The Department added four (4) new community water systems to its inventory of public water systems during the period of July 1, 2007 through June 30, 2008. One of the new systems received TMF approval on April 24, 2008, the other has a pending TMF application, and two other systems were reclassified from non-transient non-community water systems to community water systems. Please see Table 1.

**Table 1. Community Water Systems**

| <u>PWSID No.</u> | <u>SYSTEM NAME</u>           | <u>START DATE</u> | <u>COMMENTS</u>  |
|------------------|------------------------------|-------------------|--|
| 1332314          | Ave Care Inc.                | 8/24/2007         | Existing infrastructure<br>Reclassified NT to CWS<br>No TMF required                   |
| 1326321          | Gracefield Manor Residential | 8/31/2007         | Existing Infrastructure<br>Reclassified NT to CWS<br>No TMF required                   |
| 0706002          | Hilltop at Essex County      | 6/25/2008         | Application for TMF received<br>2/15/07<br><br>Received TMF<br>Approval April 24, 2008 |
| 1714003          | Bancroft Center              | 6/26/2008         | TMF pending  |

*Key: **CWS** — community water system, **T** — transient non-community water system  
**NT** — non-transient non-community water system, **TMF** — technical, managerial, & financial*

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

#### Non-Transient Non-Community Water Systems

New Jersey added twenty six (26) non-transient, non-community water systems to its inventory of public water systems during the period of July 1, 2007 through June 30, 2008. Four (4) of the twenty six (26) systems required and received TMF approval under NJ Safe Drinking Water Act regulations at N.J.A.C. 7:10-13. Two (2) of the twenty six (26) require but have pending a TMF review. The remaining twenty (20) systems did not meet the definition of "new system". These systems were not newly constructed nor expanded their infrastructure to become a non-transient non-community water system and consequently did not require a TMF review. These systems were either unregulated existing systems, transient water systems that were reclassified, or a reactivation of an existing system. In addition, there are two (2) proposed new systems that are currently under TMF review. The following table lists the non-transient, non-community water systems added. Please see Table 2.

**Table 2. Non-Transient Non-Community Water Systems**

| <b>PWSID No.</b> | <b>SYSTEM NAME</b>                           | <b>START DATE</b> | <b>COMMENTS</b>   |
|------------------|--|-------------------|---|
| 0614321          | East Vineland School –<br>Alternative School | 07/07/2007        | Existing infrastructure<br>Reactivated<br>No TMF required           |
| 0605301          | Fairfield Twp Intermediate<br>School         | 07/08/2007        | Existing infrastructure<br>Reclassified T to NT<br>No TMF required  |
| 0339320          | Wagner Boot Camp                             | 07/13/2007        | Existing infrastructure<br>Reactivated<br>No TMF required           |
| 1906315          | Sterling Plaza Office                        | 07/26/2007        | Existing infrastructure<br>Reclassified T to NT<br>No TMF required  |
| 1906309          | Sterling Plaza                               | 07/26/2007        | Existing infrastructure<br>Reclassified T to NT<br>No TMF required  |
| 1905350          | Rainbows of Learning Inc                     | 09/04/2007        | TMF Approval given<br>08/15/2007                                    |
| 1902360          | Thor Labs (Stickle Pond Facility)            | 09/12/2007        | Existing infrastructure<br>Reclassified NP to NT<br>No TMF required |
| 1902361          | Manor Plaza Condo Assoc.                     | 10/4/2007         | Existing infrastructure<br>Reactivated<br>No TMF required           |
| 1351325          | NJ Christian Academy Gym                     | 10/25/2007        | Existing infrastructure<br>Reactivated<br>No TMF required           |
| 1351326          | NJ Christian Academy Dorm                    | 10/25/2007        | Existing infrastructure<br>Reactivated<br>No TMF required           |
| 1351327          | NJ Christian Academy BLDG                    | 10/25/2007        | Existing infrastructure<br>Reactivated<br>No TMF required           |
| 1432354          | Goddard School                               | 11/15/2007        | TMF Pending   |

| <b>PWSID No.</b> | <b>SYSTEM NAME</b>               | <b>START DATE</b> | <b>COMMENTS</b>  |
|------------------|----------------------------------|-------------------|--|
| 0811416          | ABC Me Grow LLC                  | 11/27/2007        | Existing infrastructure<br>Reactivated<br>No TMF required          |
| 0818475          | Cross Keys Place Shopping Center | 12/14/2007        | TMF Approval given<br>12/10/2007                                   |
| 1351328          | Kiddie Academy                   | 12/18/2007        | TMF Pending  |
| 1113307          | Eden Family of Services          | 01/01/2008        | Existing infrastructure<br>Reclassified T to NT<br>No TMF required |
| 0511401          | Children's Country Place         | 2/29/2008         | TMF Approval given<br>2/29/2008                                    |
| 0824315          | Liberty Kenworth of South Jersey | 3/24/2008         | Existing system<br>Reactivated No TMF<br>required                  |
| 0608311          | No More Tears Day Care           | 4/10/2008         | Existing system<br>Reactivated<br>No TMF required                  |
| 1006370          | Right at Home Daycare            | 4/11/2008         | Existing system<br>Reactivated<br>No TMF required                  |
| 1026319          | Lambertville Assembly of God     | 4/18/2008         | Existing system<br>Reactivated<br>No TMF required                  |
| 1427407          | Abiding Peace Luthern Church     | 5/1/2008          | Existing system<br>Reactivated<br>No TMF required                  |
| 1439301          | Tilcon Administration            | 5/1/2008          | Existing system<br>reactivated<br>No TMF required                  |
| 1511427          | The Goddard School               | 5/1/2008          | Existing system<br>Reactivated<br>No TMF required                  |
| 1523325          | Sigma Corporation                | 6/1/2008          | Existing system<br>Reactivated<br>No TMF required                  |

| PWSID No. | SYSTEM NAME             | START DATE | COMMENTS                     |
|-----------|-------------------------|------------|------------------------------|
| 1332384   | Millstone Middle School | 12/14/2007 | TMF Approval given 6/27/2008 |
| Proposed  | WAWA # 974              | Proposed   | TMF Pending                  |
| Proposed  | Town Square Plaza       | Proposed   | TMF Pending                  |

Key: **CWS** — community water system, **NT** — non-transient non-community water system, **T** — transient non-community water system, **NP** — non public systems, **TMF** — technical, managerial, financial evaluation

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

## Work Plan Activities

The Capacity Development Program SFY 2008 Work Plan was submitted to USEPA in March 2008. During the period of July 1, 2007 through June 30, 2008, the Capacity Development Program engaged in several activities related to implementation. The following is a review of New Jersey's accomplished and projected tasks for the 2008 fiscal year:

1. Prepare an annual report that documents the ongoing implementation of the Capacity Development Program for addressing capacity determinations for new systems and the application of the approved Strategy for existing public water systems.

This prepared Report addresses the ongoing implementation reporting requirements of capacity determinations for new systems and the application of the approved Strategy for existing public water systems. The report for SFY2007 was sent to USEPA on August 11, 2007 and the report for SFY2008 will be sent by August 15, 2008. Next years report will be prepared for July 1, 2008 through June 30, 2009.

2. Prepare an updated Strategy List of public water systems requiring capacity development. This list is prepared biannually and identifies the number of TMF evaluations to be performed.

An Interim 2007 Strategy List was developed and submitted with the SFY2007 Annual Report. The list includes high priority community and non-community systems from the 2001 and 2004 lists that remain unresolved and out of compliance. Additionally several systems, e.g. Sea Village Marina, were added based on staff's knowledge of those systems. As stated in the SFY 2007 Annual Report, the Department committed to review the 2007 Interim Strategy List and determined to adopt it unchanged so it now represents the 2007 Final Strategy List. In addition, the Department reviewed the Strategy List development process during SFY08, and anticipates that a modified process will be

contained in the final version of the revised Capacity Development Strategy currently planned for completion in March 2009.

3. Provide technical assistance to those water systems that fail to demonstrate adequate technical, managerial, and financial capacity.

The program has performed a limited number of on-site technical assistance evaluations, some of which included managerial assistance. One new staff person transferred into the Program at the end of SFY2007 and assigned to implement the Capacity Development Strategy for existing systems. During SFY2008, the new staff person participated in a number of on-site technical assistance evaluations. This staff person also received training and performed other Capacity Development activities such as a) evaluating the existing Capacity Development Strategy, b) developing a revised Capacity Development strategy, c) establishing benchmarks for measuring TMF capacity, d) drafting a contract for services and a contract for independent analysis of the Program, and e) providing small system technical assistance. Another staff person was reassigned from the Technical Assistance Section of the Bureau of Safe Drinking Water to conduct on-site technical evaluations for existing non-community systems during the latter portion of SFY2008. The program will continue to provide direct assistance on a limited basis.

The following is a list of community and noncommunity water systems that the Department has assisted:

### **Water Systems the Department Has Assisted**

#### **Public Community Water Systems**

| <b>PWSID #</b> | <b>System Name</b> | <b>Description</b>  |
|----------------|--------------------|---|
| 0108021        | Sea Village Marina | <p>Conducted on-site visits and a series of follow-up efforts to evaluate/discuss how to address TMF capacity concerns given that system bankruptcy/ receivership likely for current ownership. Letter sent on 7/19/07 detailing problem areas for infrastructure, water quality, operations and TMF capacity. Finances (bankruptcy/receivership) at issue.</p> <p>Letter sent on 11/19/07 to relay that any new potential owner would have to demonstrate TMF capacity due to change in ownership and offer assistance/guidance to new owner regarding the process. Continued to monitor developments/ progress including potential consolidation with another public community water system. Latest information indicates an attempt to have local township, which is repaving the roads, finance water main extension from existing viable public community water system to Sea Village Marina. Action, if effected, would eliminate Sea Village as a public water system.</p> |



| <b>PWSID #</b> | <b>System Name</b>                     | <b>Description</b>  |
|----------------|--|---|
| 0251001        | Ridgewood Water Department             | <p>Conducted a series of on-site visits and follow-up efforts to evaluate TMF capacity (including use of asset management), inspect system infrastructure, review operational/maintenance policies/procedures, and discuss financial plans.</p> <p>Letter sent on 5/19/08 to document findings, offer further assistance, and make recommendations for improving system capacity with emphasis on the development of an asset management plan.</p> <p>Last meeting with Ridgewood occurred on July 24, 2008. Utility has hired a consulting engineering firm to review management structure of water utility. Report is due Fall, 2008.</p> |
| 0811003        | Colonial Estates Mobile Home Community | <p>Conducted a series of on-site visits and follow-up efforts to evaluate/discuss TMF capacity (including asset management), monitor the progress to install/operate new treatment plant for radionuclides &amp; refurbish wells, and collect both raw &amp; finished water for ABS/LAS, Mercury.</p> <p>Letter to be issued in 1<sup>st</sup> Quarter SFY2009.</p>   |
| 1003001        | Bloomsbury Water Department            | <p>Conducted on-site visit and a series of follow-up efforts to evaluate TMF capacity, inspect system infrastructure, and discuss plans for resolving allocation permit violations with large percentage of unaccounted water. Letter sent on 5/19/08 to relay initial findings, document observed capacity issues, and recommend improvements (e.g., develop asset management plan).</p>   |

### **Public Non-Community Water Systems**

| <b>PWSID #</b> | <b>System Name</b> | <b>Description</b>   |
|----------------|--------------------|--|
| 0106304        | Buck Tavern        | <p>Conducted a series of on-site visits and follow-up efforts to evaluate/discuss capacity, inspect the replacement well and UV light disinfection unit, and collect samples of both raw and finished water to resolve acute coliform MCL violations. Letter sent on 2/1/08 to relay initial findings/recommendations.</p> <p>Routine and repeat sampling events performed after UV light disinfection unit was replaced and until satisfactory results (i.e., negative) were obtained.</p> <p>Follow-up letter to be issued in early SFY2009.</p> |
| 1202315        | American Cabinetry | <p>System was deactivated and reclassified as a non-public water</p>   |

| PWSID # | System Name                   | Description  |
|---------|-------------------------------|--|
|         |                               | <p>system on 2/28/08 based on certification from administrative authority dated 11/14/07.</p> <p>Conducted a series of on-site visits and follow-up efforts to verify system had not resumed operation as a public non-community water system prior to receiving necessary approvals, evaluate capacity, and collect samples of finished water. Letter sent on 5/13/08 to:</p> <ul style="list-style-type: none"> <li>• document observations on technical capacity &amp; limited cooperation by system representative</li> <li>• relay analytical results (no VOCs or inorganics above MCLs/RULs, coliform results negative)</li> <li>• require/request system demonstrate TMF capacity prior to resuming operation as public non-community water system due to change in ownership status per N.J.A.C. 7:10-2.7</li> </ul> |
| 1803304 | Somerset Hills Country Club   | <p>Conducted a series of on-site visits and follow-up efforts to inspect facility, evaluate capacity, confirm installation UV light disinfection units and calcite filters per applicable regulations, and collect samples of finished water to resolve coliform MCL and Copper action level exceedance. Letter sent on 6/4/08 to:</p> <ul style="list-style-type: none"> <li>• document observations on technical capacity and request clarification on plans for wells 1 &amp; 2</li> <li>• relay analytical results (Copper below action level and coliform results negative)</li> </ul>  |
| 1808361 | Tabatchnick Fine Foods        | <p>Conducted a series of on-site visits and follow-up efforts to inspect facility, evaluate capacity, confirm installation Arsenic treatment unit (granular ferric oxide) per applicable regulations, and collect samples of finished water to resolve Arsenic MCL violations. Letter sent on 5/14/08 to:</p> <ul style="list-style-type: none"> <li>• document observations on technical capacity and relay need to address minor well permit issue (have well driller apply to re-designate from industrial to potable use)</li> <li>• relay analytical results (Arsenic below MCL)</li> </ul>   |
| 1813324 | Otto Kaufman Community Center | <p>Conducted a series of on-site visits and follow-up efforts to inspect facility, evaluate capacity, confirm installation UV light disinfection unit per applicable regulations, and collect samples of finished water to resolve coliform MCL and M&amp;R violations. Initial draft of letter documenting findings and relaying analytical results to system prepared for issuance in</p>  |

| PWSID # | System Name | Description    |
|---------|-------------|----------------|
|         |             | early SFY2009. |

4. Continue to provide ongoing contract management and coordination for the executed contract for service (originally executed in February 2004) with the New Jersey Water Association (NJWA). The contract is for on-site capacity evaluations and on-site technical assistance under the Capacity Development Program. This contract will be in effect until February 2008. On-site technical assistance will include, but not limited to the following services: Leak Detection; Regulatory Updates; Operator Certification Assistance; Treatment Requirements/Troubleshooting; Safety Requirements; Monitoring Assistance; Budgets & Water Rates; Loan and Grant Assistance; and Consumer Confidence Reports.

This contract, which was extended from August 2006 to February 2008, had a maximum monetary obligation of \$100,000.00 for activities related to the Capacity Development Program and \$69,485 was dispersed for services rendered in previous fiscal years. Although continued activities were projected in the work plan, the Department did not use the services in SFY2008 and did not to extend the contract. As a result, no on-site capacity evaluations or technical assistance site visits were conducted by NJWA and no contract management or coordination activities were provided by the Department in SFY2008.

Instead, the Department applied its resources to re-evaluate its Strategy and consider alternative approaches for this aspect of the Program. At the same time, the Department provided direct, on-site capacity evaluations and technical assistance to a limited number of targeted systems to ensure continued implementation of the Strategy in SFY2008. De-obligating the remaining \$30,515 from the previous contract, revising the existing Strategy, drafting a contract for an independent analysis of the Program, and drafting language for a new contract for services designed to provide more effective TMF capacity development assistance are also among the ongoing activities.

These efforts resulted in a decision to enhance/modify the current approach by adding provisions to implement an asset management program consistent with certain national trends for capacity development. The application of tools such as USEPA's recently released Check Up Program for Small Systems (CUPSS) to develop asset management plans for targeted systems and the promotion of financial planning tools to ensure necessary funds are available to sustain infrastructure will be added to the Program.

5. Prepare and issue approximately 1,500 monitoring schedules for Calendar Year 2008 to all community water systems and non-transient, non-community water systems.

The Department posted the monitoring schedules on the Division of Water Supply's web site in 2007. For 2008, we notified systems of the availability of the monitoring schedules on our web site; [www.nj.gov/dep/watersupply](http://www.nj.gov/dep/watersupply) .

6. Process Technical, Managerial and Financial Capacity with applicable State regulations (N.J.A.C. 7:10-13 for new community water systems and non-transient non-community water systems as identified by the Department and/or the County Environmental Health Act (CEHA) agencies. This will be performed on an ongoing basis.

The Department added four (4) new community water systems to its inventory of public water systems during the period of July 1, 2007 through June 30, 2008. One new community water system received TMF approval on April 24, 2008. The other has a pending TMF application, and two other systems were reclassified from NTNC water systems to CWS. New Jersey added twenty-six (26) non-transient, non-community water systems to its inventory of public water systems during the period of July 1, 2007 through June 30, 2008. Two (2) of the twenty six (26) systems required TMF approval under NJ Safe Drinking Water Act regulations at N.J.A.C. 7:10-13. Two of the 26 require but have pending TMF review. The remaining twenty (20) systems did not meet the definition of "new system". There are two (2) proposed new non-community water systems that are currently under TMF review. Please refer to Tables 1 and 2.

7. The program plans to evaluate the current Capacity Development Strategy, possibly with the assistance of an outside contractor to identify what activities the program should focus on and to potentially provide training, as needed. The plan is to complete the strategy evaluation and training by June 2008.

Staff evaluated the current Capacity Development Strategy, confirmed that revisions are warranted, and began drafting a revised Capacity Development Strategy. The services of an outside contractor were not obtained in SFY2008, but a contract for an independent analysis has been drafted. Although not provided by an outside contractor, training was provided to staff attending the October 2007 USEPA Capacity Development Workshop in Denver, CO, and the May 2008 Environmental Finance Center Sustainability Infrastructure Forum in Philadelphia PA. Additional training was provided to staff that participated in the CUPSS "train the trainer" webinar series in June 2008. However, further training is still necessary to enhance the ability of assigned staff to implement the Program, some of which may be provided by an outside contractor.

8. Obtain stakeholders involvement in the revised Capacity Development Strategy and make amendments, as needed, based on feedback. The plan is to complete a revised strategy by December 2008.

The Department has not initiated stakeholder involvement in the revision of a Capacity Development Strategy to date. As noted above, the Department is preparing a draft version of a revised Capacity Development Strategy and anticipates that a revised Capacity Development Strategy, inclusive of stakeholder involvement, will be completed by end of March 2009.

## Reporting Criteria

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

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

No changes have occurred in the past year. The Department's regulations (N.J.A.C. 7:10-13) pertaining to the requirements of technical, managerial, and financial (TMF) capacity for new community and non-transient non-community water systems became effective on August 21, 2000, and were without changes on November 4, 2004. These rules are set to expire in November 2009. The Department is in the process of readopting the rules. The Department is currently seeking stakeholder comments prior to re-adoption to for both N.J.A.C. 7:10-12 and 13.

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

No changes have occurred in the past year. As reported in the August 2006 Capacity Development Report, the Department has made one modification to the State's control points. In the past the Program would not issue a State public water system identification number (PWSID#) to any new system until the requirements of N.J.A.C. 7:10-13 were satisfactorily addressed. However, in some recent instances, the Department has had to issue PWSID # to new systems (only non-transient water systems) which are in operation but have yet to satisfy the TMF requirements. This change has allowed the Department to provide monitoring guidance to those water systems which have inadvertently commenced operation without TMF approval and in turn to receive and process monitoring data for compliance evaluation purposes during the TMF review. Typically, the Department assigns PWSID # and the system is permitted to commence operation only after satisfaction of the TMF requirements. The limited application of this change has not adversely affected the Program.

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

The Department has recently reviewed the status of all new systems (community and non-transient water systems) which received TMF approval in the past three years. Based upon this review, no new systems, from the 2005, 2006 and 2007 Implementation Reports are currently on the SNC list.

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

The Department has observed improvements in public water system compliance and attributes this observation to the successful implementation of the efforts and mechanisms under the Capacity Development Program, the Enforcement Program, Small Water System Technical Assistance Program, and Operator Certification Program. The Capacity Development Program is making progress in addressing non-compliance which continues to promote TMF capacity.

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

- Zero Tolerance Policy
  - Operator Certification Program (extended to NTNC water systems)
  - Monitoring Schedules
  - Technical Assistance By the Department of Environmental Protection
  - Violation evaluation
    - Improved data management
    - Maintenance of an accurate inventory of systems and the status/appropriateness of violations.
  - Implementing the activities of the Capacity Development Strategy
- **How has the State continued to identify systems in need of capacity development assistance?**

The Department identifies systems in need of capacity development by preparing "Strategy Lists" which indicate those public water systems most in need of capacity development and which enables the Department to prioritize the Program's resources for performing capacity evaluations and providing assistance. The first strategy list was compiled in December 2001 from a review of the compliance status during the preceding 18-month timeframe from July 2000 – December 2001. The second strategy list was compiled in February 2004 from a review of the compliance status during the 18-month timeframe of January 2002 – July 2003.

An Interim 2007 Strategy List was developed as reported in August 2007. This list has been finalized and is now the Final 2007 list. The list includes high priority systems from the 2001 and 2004 lists that remain unresolved and out of compliance. Additionally several systems, e.g. Sea Village Marina, were added based on staff's knowledge of the system.

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

The Department has identified training needs for small water system owners and operators. By contract with the New Jersey Water Association, 29 training sessions were held in the past year to provide assistance to small water systems (those serving less than 10,000). One hundred fifty (150) small systems were represented at these sessions. In addition, a contract with Rutgers University provided for a 50% tuition subsidy for drinking water-related training courses from July 1, 2007 to March 30, 2008. In that timeframe, 22 training courses were held. Two hundred eighty-four (284) operators attended at the reduced rate. The Department is in the process of initiating a new contract with Rutgers University to continue to provide for a 50% tuition subsidy for drinking water-related training courses from April 1, 2008 to September 30, 2010.

Monitoring schedules were issued for Calendar Year 2007 to all community water systems and non-transient, non-community water systems in February 2007. There were approximately 1,500 schedules issued to community (approximately 610 systems) and non-transient non-community water systems (approximately 890 systems). These schedules benefit the Capacity Development program in that it notifies the water systems what to monitor for and thus assists the systems in compliance. This benefits the community water systems as well as the non-transient non-community water systems. We have also posted monitoring schedules on the Division of Water Supply's web site. For 2008, we notified systems of the availability of the monitoring schedules on our web site; [www.nj.gov/dep/watersupply](http://www.nj.gov/dep/watersupply) .

The program has developed an intensive audit review of lead and copper compliance, especially monitoring and public education requirements, partially in response to USEPA audit activities. This audit review process has evaluated two (2) systems, resulting in better compliance and understanding of the rules. None of these were referred to Enforcement.

In addition, the Department is investigating rate setting and asset management programs for community water systems.

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

The Department conducted a review of the existing system strategy in SFY2008 with some added perspective from new Program staff, input from other program areas (e.g. - DWSRF staff), and experiences shared by presenters at the USEPA Capacity Development Workshop and Environmental Finance Center Sustainability Infrastructure Forum. This review affirmed the need to provide targeted water systems the training and resources to a) determine their long term operational needs, b) create and implement asset management plans and c) evaluate rate setting processes to promote capacity

development. The SFY2008 review also found a need to change the process for identifying/ranking public water systems for inclusion on the Strategy List and providing TMF evaluations/technical assistance to these systems. Although the rationale for the current process of identifying/ranking public water systems for inclusion on the Strategy List has merit, certain systems in real need of capacity development may be precluded from the Strategy List. Therefore, staff input on water systems in need of capacity development will be used to supplement any metric utilized to create a capacity development list.

It is apparent that the problems/concerns faced by public water systems in need of capacity development evolved over years if not decades and the amount of time needed to correct/address them far exceeds the time afforded by any "quick fix" visit. Therefore, there is the question as to whether a circuit rider approach is the best method to provide assistance to assure long term viability. As such, a more focused and dedicated long term commitment will be necessary to effect real change and improvement in how these systems conduct their day-to-day functions while identifying and planning to address their future challenges. Clearly the responsibility to provide this long term commitment of dedicated assistance lies with the Department, but the quality of the assistance will be bolstered by engaging competent contractors to deliver individual facets (e.g. asset management, rate setting) of the Program along the way.

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

No changes have occurred this year. As reported in August 2005, the Department made one program modification to the existing system capacity development strategy that pertains to the preparation of the Strategy List. The Department's "Capacity Development Strategy", approved September 2000 by the USEPA, established that Strategy Lists would be prepared annually. Following the preparation of the 2001 Strategy List (December 2001) and the 2004 Strategy List (February 2004) it was deemed more practical (from a Program implementation viewpoint) to modify the activity of preparing the Strategy List from annual to once every three years. This adaptation in preparing the Strategy List allows efforts regarding the TMF evaluation and improvement process to be implemented and provides for a more accurate identification of existing systems requiring capacity development without large-scale duplication. This modification will favorably affect the implementation of the Program by focusing efforts on TMF evaluations and technical assistance.



## **APPENDIX I**

### **CAPACITY DEVELOPMENT PROGRAM FINAL STRATEGY LIST 2007**

## 2007 FINAL STRATEGY LIST – COMMUNITY SYSTEMS

Nineteen (19) community water systems are on the Final 2007 strategy list.

| <b>PWSID No.</b> | <b>SYSTEM NAME</b>            | <b>COMMENTS</b>   |
|------------------|-------------------------------|---|
| 0108021          | Sea Village Marina            | Ongoing Radionuclide (Gross Alpha) MCL violations and exceedances of NJ secondary standards for Sodium and TDS. Pb/Cu treatment never permitted as final. Only one well that may be also GWUI. Inadequate storage and auxiliary power. TMF, ownership and legal problems. NOV issued 4/22/2008 for various violations   |
| 0112002          | Black Horse Manor             | Pb/Cu Action Level Exceedances and subsequent M/R violations. Financial problems. NOV issued on 8/22/2007. Settlement agreement is being executed between the Dept. and the water system  |
| 0251001          | Ridgewood Water Dept.         | Previously listed in 2001 and 2004. NOV sent out on 5/20/08 for non-TCR monitoring violations   |
| 0326009          | Wagon Wheel Estates           | Previously listed in 2001. Second well no longer operating correctly. Inadequate storage.   |
| 0339001          | New Lisbon Development Center | Pb action level exceedances. Numerous M/R violations (late and non-submittal).NOV issued on 3/19/08.  |
| 0436007          | Winslow Twp MUA               | Ongoing Radionuclide MCL violations at various points of entry. VOC MCL violations at some points of entry. Received SDW permit on 2/25/08 for radium removal.  |
| 0601001          | Bridgeton City Water Dept.    | Ongoing Radionuclide MCL violations at various points of entry. Received DWSRF financing in November 2007 for radium removal for Wells 18 and 19. Construction has not started due to negotiations with contractor.   |
| 0612001          | Bayshore MHP                  | Nitrate MCL violations and extremely high Sodium levels exceeding the NJ secondary standards.   |
| 0811003          | Colonial Estates              | Ongoing Radionuclide and mercury MCL violations. Connection to Monroe Twp. MUA was recently rejected by Colonial Estates. Received DWSRF financing in November 2007 for Radium removal. Construction is 95% complete.   |
| 1003001          | Bloomsbury Twp                | Violation of Bureau of Water Allocation permit # 5176 which expired 7/31/04. Third and final notice issued 9/27/06. A Water Allocation permit renewal was issued on 3/1/08. One condition of the permit is that "The permittee should continue to follow the plan submitted to the Bureau of Water Compliance and Enforcement which calls for new water meters on all water connections, paying and non-paying, to accurately account for all water delivered". |

| <b>PWSID No.</b> | <b>SYSTEM NAME</b>                | <b>COMMENTS</b>   |
|------------------|-----------------------------------|---|
| 1009001          | Flemington Borough                | Numerous pending NOV's for arsenic. Seeking DWSRF financing for the 2008 cycle. On 5/5/2008, an ACO was executed between the DEP and Flemington Borough so that a schedule to install an arsenic treatment system could be approved. Plans and Specifications to install meters have been drafted. Pre-award approval issued in July 2008. Flemington Borough expected to advertise for bid in August 2008. |
| 1414013          | Sun Valley Park Co.               | Using an unapproved source. Undersized mains and inadequate storage. Lacks adequate firm capacity to meet peak daily demand.  |
| 1427002          | Mount Olive –<br>Goldmine Estates | Well no. 1 does not recover during high demand. Well no. 2 (irrigation well) not permitted for potable use. Used tanker for temporary storage in 2005 and 2006.   |
| 1438001          | Cliffside Park                    | Exceedances of NJ secondary standards for Iron and Manganese. Recent Pb/Cu Action Level Exceedance. Corrosion Control treatment system in use not permitted.  |
| 1511009          | Pleasant Garden<br>Apartments     | Ongoing Radionuclide MCL violations. NOV issued 7/2/ 2007   |
| 1511011          | Luxury Mobile<br>Home Park        | NOV issued 3/27/07 for various violations. Finished water storage is in adequate.   |
| 1920001          | Stillwater Water<br>District      | Ongoing Radionuclide (Gross Alpha) MCL violations. NOV issued 4/17/2008   |
| 1922014          | Great Gorge Terrace<br>Assoc.     | Significant ongoing radionuclide MCL violations. NOV issued 4/11/2008   |
| 1922028          | Valley View<br>Apartments         | Uranium MCL violations at two points of entry. Connection to UW- Vernon Hills (1922015) still anticipated. An Administrative Order and Notice of Civil Administrative Penalty Assessment (AONCAPA) was issued on 12/4/2007. Directive is pending.   |

## 2007 FINAL STRATEGY LIST – NON-COMMUNITY SYSTEMS

Twenty (20) non-community water systems are on the Final 2007 strategy list.

| <b>PWSID No.</b> | <b>SYSTEM NAME</b>                | <b>COMMENTS</b>   |
|------------------|-----------------------------------|---|
| 0106304          | Buck Tavern                       | Acute coliform MCL violations. Ultraviolet light is being installed to address coliform issues. |
| 0108352          | DOT FAA Atl Bld<br>33& bld 208    | Pb action level exceedance. Monthly coliform MCL violations. NOV issued 3/20/2006               |
| 0113350          | Glossy Fruit Farms                | Periodic acute coliform MCL violations. NOV issued 9/19/2007                                    |
| 0603322          | Cumberland County<br>4H Center    | Acute nitrate MCL violations. NOV issued 10/4/07  |
| 0612300          | Stow Creek<br>Elementary School   | Radiological PN Required 10/19/06. Nitrate M&R violation 1/16/07. NOV sent out 4/15/08          |
| 0614345          | Cumberland County<br>Road Dept.   | Pb action level exceedance. VOC MCL violations. NOV sent out on 4/9/08.                         |
| 1001300          | Lester D Wilson<br>School         | IOC MCL violations. NOV sent out on 1/2/08.   |
| 1001301          | Valley View Manor                 | Arsenic MCL violations. NOV sent out on 2/5/08. Seeking DWSRF financing for Arsenic removal.    |
| 1008300          | Albert Elias<br>Residential Group | Pb action level exceedance. Acute coliform MCL violation. NOV letter sent out on 3/31/08.       |
| 1026301          | ESC School                        | Pb/Cu action level exceedances. Arsenic MCL violation. NOV sent out on 3/20/08.                 |
| 1106389          | Hopewell Valley<br>Golf Course #6 | Arsenic MCL violations. NOV issued 7/18/2007  |
| 1202315          | American Cabinetry                | TCR NOV issued 6/15/07.   |
| 1332351          | Millstone Center                  | Acute coliform MCL violations. NOV issued 4/10/2007   |
| 1336308          | Liberty Royal Rehab<br>Center     | Acute coliform MCL violations. NOV issued 2/8/2008  |
| 1415301          | Lotsa Pasta                       | TCR M&R NOV issued 6/15/07  |
| 1615327          | Westbrook School                  | Pb AL NOV issued 6/21/07. NOV sent out on 4/7/08  |
| 1803304          | Somerset Hills<br>Country Club    | Cu action level exceedance. Monthly coliform MCL violations. CD letter sent out on 5/9/08       |
| 1808361          | Tabatchnick Fine<br>Foods         | Arsenic MCL violations. NOV issued 4/9/2008   |
| 1813324          | Otto Kaufman<br>Community Center  | Coliform MCL violations and coliform M/R violations. NOV issued 4/4/2007                        |
| 1922304          | Days Inn-94 Motor<br>Lodge        | Nitrate M&R issued 3/20/06. NOV issued on 11/13/2007  |

