



State of New Jersey

Chris Christie
Governor

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Lt. Governor

Capacity Development Program Annual Report

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Department of Environmental Protection
Division of Water Supply and Geoscience
Bob Martin, *Commissioner*

CAPACITY DEVELOPMENT ANNUAL REPORT

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Introduction

The 1996 Amendments to the Federal Safe Drinking Water Act (SDWA) focused on promoting the technical, managerial and financial (TMF) capacity of public water systems to comply with the National Primary Drinking Water Regulations. These amendments also required 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 an approved strategy for existing public water systems.

In accordance with Section 1420(a) of the SDWA, which requires each state to have the legal authority to assure that all new community and nontransient noncommunity water systems demonstrate adequate technical, managerial and financial capacity, the New Jersey Safe Drinking Water Act (N.J.S.A. 58:12A) was amended on August 2, 1999 (P.L. 1999 Chapter 176). The New Jersey Department of Environmental Protection (Department) subsequently adopted regulations at N.J.A.C. 7:10-13 which established the requirements to assure that all new public community and nontransient noncommunity water systems have adequate capacity. In addition, 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 first Capacity Development Strategy on September 28, 2000, which was subsequently updated in August 2009.

In the 1996 amendments to the SDWA, Congress ensured that each state would establish a Capacity Development Program by tying capacity development to the Drinking Water State Revolving Funds. If New Jersey had not obtained legal authority to ensure that all new community and new nontransient noncommunity water systems demonstrate technical, managerial and financial capacity (Section 1420(a)), or had not developed and implemented a Capacity Development Strategy (Section 1420(c)), New Jersey would receive only 80 percent of its Annual Capitalization Grant allotment from the USEPA (Section 1452(a)(1)(G)). This means that New Jersey's allocation of funds for the Drinking Water State Revolving Fund and set-asides would have been reduced by up to \$3 to 4 million dollars per year.

This report provides information regarding the Capacity Development Program implementation activities, as outlined in the conducted by the Department in State Fiscal Year 2017 (SFY 2017), which ran from July 1, 2016 through June 30, 2017. These activities were outlined in the Capacity Development Program SFY 2017 Work Plan (2017 Work Plan), which was submitted to USEPA on November 29, 2016.

SFY 2017 Implementation

2016 Annual Report

As per the 2017 Work Plan, the Department was to prepare the SFY 2016 Annual Report by August 2016. The Annual Report documents the ongoing implementation of the Capacity Development Program.

The SFY2016 Annual Report was finalized and sent to USEPA on November 29, 2016.

2016 Capacity Development Strategy List

Department indicated that it would revise the 2016 Capacity Development Strategy List (List). The Department conducts capacity evaluations for the community and noncommunity water systems identified on the List. This is performed on an ongoing basis and will continue for a three-year cycle until a new List is drafted.

The 2016 Capacity Development Strategy List includes 17 community water systems and three noncommunity water systems, for a total of 20 systems on the List. The status of activities for these systems can be found in [Appendix I](#).

At the end of SFY 2016, eight systems were removed from the 2013 Capacity Development Strategy List as no further action was required and can be found in Appendix II. Eight water systems (five community; three noncommunity) were then added to the list to create the 2016 Capacity Development Strategy List. Thus, there continues to be 20 systems on the List. The Department evaluated all systems that were carried over from the previous List (2013) using the Department's Evaluation & Benchmark Criteria Assessment Form and for some systems, via site inspections conducted in collaboration with the Department's Division of Water and Land Use Enforcement.

Governor's Report

Pursuant to Section 1420(c)(3) of the 1996 Federal Safe Drinking Water Act amendments (every three years), the Department must prepare a report to the Governor on the efficacy of the State's Capacity Development Strategy by September 30, 2017. This report should address the progress made towards improving the technical, managerial, and financial capacity of public water systems.

The report, which describes the work of both the Capacity Development and Licensed Operator Programs over the past three state fiscal years, is under development and is expected to be submitted to Governor Christie in the Fall of 2017.

System Assistance

The Department, as per the 2017 Work Plan will provide direct technical assistance to water systems that fail to demonstrate adequate technical, managerial, and financial capacity. This function is performed on an ongoing basis.

The Department routinely provides technical assistance via direct consultation with water systems to comply with existing construction and operation regulations. For example, Department staff will advise systems regarding treatment, sampling plans and regulatory obligations.

Managerial and financial assistance are also offered by the Department, as applicable and feasible. This assistance incorporated the concepts of asset management planning to help water systems prioritize the maintenance, repair, and replacement of needed infrastructure. Once priorities are determined, the water system can then develop meaningful projections of expenses and evaluate how to garner the revenues needed to implement improvements. The USEPA's Simple Tools for Effective Performance (STEP) Guide Series, Check Up Program for Small Systems (CUPSS), or similar tools/software are used when appropriate. The program anticipates becoming involved in meaningful rate setting discussions, when needed, so that water systems can themselves determine how best to accrue the funds required to maintain their water system. This is performed on an ongoing basis.

Technical, Managerial and Financial Capacity Evaluations

The Department processes technical, managerial, and financial evaluations consistent with the New Jersey Safe Drinking Water Act rules (N.J.A.C. 7:10-13) for new community and nontransient noncommunity water systems, and for existing systems which have undergone a change in status or ownership and/or is found by the Department to be in significant noncompliance. This is performed on an ongoing basis.

The Department added one new community water system (Town Center at Wantage – PWSID 1924006) to its inventory of public water systems during SFY 2017. A Technical Capacity review was completed and approved on October 4, 2016 as part of the issuance of their Safe Drinking Water Permit to construct. On December 14, 2016, the Managerial and Financial Capacity review was approved as part of a Safe Drinking Water permit to operate.

New Jersey added five nontransient noncommunity water systems to its inventory of public water systems in SFY 2017 (See Table 1 below). The status of the TMF approvals associated with these new systems is also described in Table 1 below.

TABLE 1.
**New Nontransient Noncommunity Water Systems
 Added in SFY 2017**

PWSID No.	SYSTEM NAME	START DATE	STATUS
1319497	Oak Glen Plaza 2	04/20/2017	New infrastructure; TMF required; Activated as a NTNC system on 05/22/2017; will send a letter requesting submission of TMF
0614350	ARC of Cumberland County - Evanoff	02/21/2017	Existing infrastructure, but with some upgrades; will be coordinating with county health department to determine if TMF is required
0339319	Legacy Treatment Services	12/07/2016	Existing infrastructure; Reclassified T to NTNC on 01/20/2017; No TMF required
0111452	Atlantic Community Charter School	10/01/2016	Existing infrastructure; Reclassified T to NTNC on 01/20/2017; No TMF required
2122333	John Johnson Chrysler Dodge Jeep & Ram	09/29/2016	New infrastructure; TMF required; Activated as a NTNC system on 10/19/2016; System was contacted once to comply with requirement and will be referred to DEP Enforcement for action if no response is given by the appointed deadline.

Key: ***PWSID*** – public water system identification number assigned by the Department based on the location of the water system; ***CWS*** — community water system; ***T*** — transient noncommunity water system; ***NTNC*** — nontransient noncommunity water system; ***TMF*** — technical, managerial, & financial

Training

The Department provides and promotes training throughout the year in the form of seminars, workshops, and webinars. These sessions are intended to educate participants regarding the evaluation and development of technical, managerial, and financial capacity, as well as the development and Implementation of asset management plans and use of asset management tools such as EPA’s Check Up Program for Small Systems (CUPSS).

In SFY 2017, one Department staff member became a certified trainer for the CUPSS Software User Training seminars. The Department intends to coordinate and provide training sessions in SFY 2018. These sessions will include hands-on

demonstrations and sample group training exercises, designed to assist water systems in developing asset management plans using the CUPSS software.

Also in SFY 2017, the Department offered several training sessions and seminars through the Operator Certification program in conjunction with Rutgers University, the New Jersey Water Association, and NJ AWWA to educate water systems about maintaining technical, managerial and financial capacity. The Department also provided training to operators, water system owners, and laboratories on compliance with the Lead and Copper rule.

In accordance with a contract with the Department, New Jersey Water Association (NJWA) provided 36 training sessions in SFY 2017. These sessions provided assistance to 76 small water systems (i.e. those serving less than 10,000), with a total of 1,399 individuals attending. The current training contract, which was executed on May 6, 2016, calls for a total 70 training sessions to be held between January 1, 2016 and December 31, 2017. As of July 1, 2017, 42 sessions (six were held in SFY 2016) have been conducted under this agreement. The Department continues to explore training ideas with NJWA.

In addition, the Department also executed a contract on May 6, 2016 with Rutgers University to continue to provide for 50% tuition subsidies for drinking water related continuing education courses. This agreement covers the period July 1, 2015 to December 31, 2017. In SFY 2017, 33 training courses were attended by 418 operators. These courses were offered at a reduced rate for operators.

In SFY 2018, the Department will offer training on the implementation of the Water Quality Accountability Act. This law requires systems with more than 500 service connections to routinely perform certain best management practices and to develop cybersecurity and asset management plans. As a result of the new law, it is likely that the Department, in close coordination with the partners set forth in the Act (i.e. the Department of Community Affairs and the Board of Public Utilities), will provide guidance and/or training on asset management planning in the coming year.

As the Department evaluates its Capacity Development Program, it recognizes that training sessions can be valuable opportunities to obtain stakeholder input on New Jersey's Capacity Development Program. Therefore, the Department will seek to use training sessions to solicit input from stakeholders and where appropriate build relationships with systems to enhance communication.

Rural Community Assistance Partnership (RCAP) Contract

The Department continues to administer the contract with Rural Community Assistance Partnership (RCAP) Solutions to provide half-day training and one-on-one assistance to water systems. Specifically, the Department is assisting two water systems with the drafting of a system operations and maintenance manual, an annual budget, and an asset management plan. The contract was executed in SFY 2014, and the half- day training session was held in SFY2015. This fee-for-service contract will continue into SFY 2017. An implementation meeting was held in SFY 2017 to summarize and report on the past deliverables of this contract, and establish new deliverables. Priority activities, training topics, and direct onsite assistance were established, as well as related, estimated timelines for all goals.

Compliance Grant Contracts

NJDEP continues to coordinate with those entities that were re-awarded USEPA Compliance Grant Contracts: NJWA, RCAP Solutions, the New Jersey Section of the American Water Works Association (AWWA-NJ), the University of North Carolina Environmental Finance Center (EFC) and other awarded contractors. In SFY2017, NJWA continues to provide technical assistance to systems in need to reach SDWA compliance, EFC looks to provide a training in NJ by the end of the this grant contract cycle, but a topic of this training has not been chosen yet, and RCAP and NJ-AWWA are partnering together to provide an asset management course by the end of 2017 to those interested, with NJ-AWWA being the sub awardee throughout this partnership. The NJDEP is assisting by providing recommendations for training topics, training locations, and the names of the systems in most need of assistance. We will continue to periodically update USEPA Region 2 on our coordination efforts with these entities.

Other Activities

There are a number of other ongoing activities that compliment or support the Capacity Development Program. These activities include:

- Maintenance and periodic update of Department's Asset Management Policy website (<http://www.nj.gov/dep/assetmanagement/>);
- Execution of a Joint Partnership with the New Jersey American Water Works Association to assist struggling systems obtain no-cost engineering assistance through the Community Engineering Corps; and

- A self-assessment of New Jersey's Capacity Development program, begun in 2017, to evaluate and enhance the program.

The self-assessment process noted above involves the review of every process associated with the Capacity Development Program, including the development of the Strategy List, the tracking of relevant data and progress, the identification of systems in need of assistance or development of capacity, training offerings, and forms and processes. The Department is considering an approach for systems on the Strategy List that would involve a team of experts led by a team manager to shepherd systems forward through a clearly defined process that ultimately results in removal from the Strategy List.

Reporting Criteria

As per guidance from EPA the Department is required to respond to the following questions in its Annual Report.

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

The Department has adopted regulations (N.J.A.C. 7:10-13) setting forth the requirements for technical, managerial, and financial (TMF) capacity for new community and nontransient noncommunity water systems. This chapter was readopted without changes effective March 29, 2017 and will expire March 29, 2024.

- **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.**

There have been no modifications to New Jersey's control points in the past year. However, the State has for many years, required drinking water systems seeking funds through the Drinking Water State Revolving Fund (DWSRF) assistance to complete a Technical, Managerial, Financial Capability Determination. The intent of this requirement is to ensure that only viable systems receive DWSRF loans.

- **Indicate whether any new system approved within the past three years under the Capacity Development Program has been on the Enforcement Targeting Tool (ETT) list.**

Within the past three fiscal years (SFY 2015 - 2017), two community water systems have received TMF approvals. One of these, the Town Center at Wantage (PWSID# 1924006) was placed on the ETT list during the first quarter of 2017 for monitoring

and reporting violations related to the Revised Total Coliform and Radionuclides Rules. This system currently has an ETT score of three.

There are also nine nontransient noncommunity and community systems that have been required to submit TMF in the past three years, but have not yet been approved. The status of these systems is shown below.

- One system's TMF is currently being review;
- One system was referred to DWLUE for failure to submit a TMF capacity demonstration; and
- Seven systems were notified to submit, but have not yet done so.

Four of these nine systems are on the ETT List. The status of these systems is described below:

Andover Professional Condo (PWSID# 1902366) was on the ETT list for all quarters in the past three SFYs as a result of monitoring and reporting violations associated with the Revised Total Coliform Rule, Lead and Copper Rule, Volatile Organic Chemicals, and Inorganic Chemicals. This system currently has an ETT score of 2.

QIS Inc. (PWSID# 0603331) was placed on the ETT List for fourth quarter of 2015 for exceeding the MCL for nitrate. The system returned to compliance in February 2016, and currently has an ETT score of zero.

Teen Challenge (PWSID# 1006300) was on the ETT list for the last three quarters of 2016 for monitoring and reporting violations associated with the Radionuclides Rule, and in the second quarter of 2009 for an MCL exceedance for the Total Coliform Rule and Revised Total Coliform Rule. This system currently has an ETT score of zero.

SCE Realty (PWSID# 1436386) was on the ETT list from October 1, 2016 to March 31, 2017 for monitoring and reporting violations associated with Volatile Organic Chemicals. This system has returned to compliance and currently has an ETT score of zero.

- **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 following policy, programs and tasks continue to assist water systems in acquiring and maintaining TMF:

- Zero Tolerance Policy;
 - Operator Certification Program;
 - Mandatory electronic reporting requirements for analytical results (most parameters);
 - Department's Drinking Water Watch application – this application makes monitoring schedules readily easily accessible;
 - Technical assistance;
 - Improved data management;
 - Maintenance of an accurate inventory of systems and the status of violations; and
 - Implementation of the various activities included in the Capacity Development Strategy.
- **How has the State continued to identify systems in need of capacity development assistance?**

The principal way that the Department identifies systems in need of capacity development is through the preparation of a Strategy List, which identifies and prioritizes those public water systems most in need of capacity development. The Strategy List also enables the Department to prioritize the Program's resources such that it can perform TMF capacity evaluations and provide assistance in order of need.

The status of the systems on the 2016 Strategy List can be found in Appendix I. The Strategy List currently identifies 20 community and noncommunity water systems as priorities for receiving assistance from the Program to develop their TMF capacity. This Strategy List was compiled in the summer of 2016. It is based on a review of recent compliance data, systems' ETT scores, and also includes systems identified by Department staff as struggling systems. Twelve of the systems on the 2016 Strategy List were carried over from the 2013 Strategy List and eight systems were new additions.

Any efforts by the Capacity Development Program to enhance the TMF of these systems will be carefully coordinated with other State and Federal resources.

Additionally, water systems with water quality or TMF issues, as identified by Department staff or local health agents, during the year will be offered assistance and may be added to the next Strategy List.

The Department is considering ways to identify and assist systems in need before they are listed on our Strategy List. These ways include utilizing our compliance data, periodic inspections, and cultivating a relationship with local health agencies.

- **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 Capacity Development Program continues to perform background research; conduct TMF capacity evaluations and site visits; develop improvement plans; and help systems implement those improvement plans. Staff have also facilitated meetings with system representatives (e.g., owners, managers, licensed operators, and consulting engineers), regulatory agencies (e.g., enforcement inspectors, compliance managers, and permit reviewers), and/or representatives from other public water systems to identify and evaluate alternatives and options for developing system capacity. During these meetings, the Capacity Development Program relayed information regarding available tools and resources, and provided training sessions at numerous locations and forums.

Also, in SFY 2018, the Department will conduct TMF capacity evaluations and implement process changes identified during their self-assessment to ensure that systems from the 2016 Strategy List receive individualized assistance and are making progress towards removal from the Strategy List.

To improve water system operation, the Department continues to identify training needs for small water system owners and operators and offer training as noted in the “Training” section above.

Lastly, the Department also reviews activities and approaches that other state Capacity Development programs implement to identify and consider successful strategies.

- **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 Program is currently conducting a review of the processes used to develop its Strategy List and anticipates making improvements in the future. After a new strategy is finalized, the Department will continue to reevaluate the program and its strategy on an ongoing basis, to analyze and modify any necessary changes.

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

No modifications have been made. As noted above, the program is currently conducting a self-assessment to identify opportunities for improvement.

APPENDIX I

**CAPACITY DEVELOPMENT PROGRAM:
STATUS OF ACTIVITIES FOR SYSTEMS ON
2016 STRATEGY LIST**

Status as of August 07, 2017

#	PWSID#	PWS NAME	INITIAL REASON LISTED	CURRENT STATUS
	<i>Community</i>			
1	NJ0301001	Buttonwood Mobile Home Park	Deficiencies in all TMF areas: aging infrastructure, poor O&M, no licensed operator, not issuing CCRs, no storage (2 wells & auxiliary power, but no waiver requested/issued), no meter to measure flow, etc.	System has obtained a licensed operator, but overall management and finances are inadequate. Test well was drilled 07/01/2014. Sampling revealed high iron levels in raw water. An ACO was executed on May 1, 2017 which identifies the schedule for the system to obtain approval for the new well and treatment. This system is being given engineering services to aid with their system deficiencies. This system is scheduled for a prospective site inspection along with DWLUE Enforcement to see their status and revise what assistance they now need. Carry over from the 2013 List.
2	NJ0612001	Bayshore Mobile Home Park	Listed in 2007. One well with nitrate MCL violations and second well with extremely high sodium levels exceeding the NJ secondary standards.	ACO closed. Improvements to wells and treatment completed. Despite having installed radiological/nitrate treatment in 2011, and pH adjustment for corrosion control in 2013, the system is not maintaining the treatment. Ongoing radiological MCL violations incurred 2015 – 2016, and have continued into SFY 2017. System also incurred several M&R violations in 2017 for radiological and water quality parameter monitoring. The Department issued a Failure to Maintain Treatment violation to the licensed operator and the water system. A meeting was held with the water system in June 2017 to outline the outstanding issues/expectations. Will monitor system's accrued violations quarterly to view improvement. Carry over from the 2013 List.

	PWSID#	PWS NAME	INITIAL REASON LISTED	CURRENT STATUS
3	NJ0702001	Bloomfield Water Department	MCL violations for disinfection byproducts	This system is new to our Strategy List. They have accrued violations for MCL exceedance for disinfection byproducts in 2015, 2016 and 2017. The system also incurred TCR violations in 2016 which have been resolved. EPA conducted a sanitary survey in August 2017 which representatives of NJDEP attended. We will be compiling a profile of this system, its assets, as well as coupling it with a site inspection, if needed, to see what assistance they may need to achieve capacity. Added to 2016 Strategy List.
4	NJ0714001	Newark Water Department	MCL violations; open finished water reservoir	This system is new to our Strategy List. They have accrued an Action Level exceedance violation for the Lead and Copper Rule. They are required to evaluate their existing corrosion control treatment and submit a recommendation by the end of 2017. They are also working towards the covering of their open finished water reservoir to comply with the LT2 Rule. We will be introducing this system to our program, as well as compiling a profile of this system, its assets, as and coupling it with a site inspection to see what assistance they may need to achieve capacity. A technical, managerial, and financial report was prepared by H2M for the City of Newark on July 15, 2016. This report includes recommendations relating to Technical and Capital improvements A prospective site inspection is in the works with DWLUE Enforcement to see the status of the system. Added to 2016 Strategy List.

5	NJ1013001	Hampton Borough	System lacks firm capacity, only has 1 operational well, and no approved contract for the interconnection with Glen Gardner.	Test well to be drilled, 2 bids came in too high for project and rejected. Borough plans to move the proposed new well to the only optimal location, 800' from original well location. Since it is 100' away from an existing well, assistance from NJGS requested to determine feasibility due to large fractures in existing well. A Safe Drinking Water Permit to Construct was issued on July 18, 2016 for the new well location. This system is on the FFY2016 Final Project Priority List to obtain DWSRF funding, and is eligible for small system financing, for the construction of backup well #5. A site inspection with DWLUE happened during SFY 2017 to see how far along the system is in their well construction plans. Their construction plans are still in the stage of getting approved. Will follow up accordingly to see what progress has been made. Carry over from the 2013 List.
6	NJ1710304	Eaglesview Health & Rehab	Radiological MCL exceedances	This system is new to our Strategy List. They have accrued numerous violations. Early 2017, an ACO was issued and sent to the system for their compliance to install treatment to resolve these system deficiencies regarding radiological exceedances. We will be introducing this system to our program, as well as compiling a profile of this system, its assets, as and coupling it with a site inspection to see what assistance they may need to achieve capacity. Added to 2016 Strategy List.
7	NJ1615001	West Milford MUA-Birch Hill Park	GWR Significant Deficiencies 06/07/2012 and significant sanitary survey deficiencies 06/24/2013.	RFP went out for a contract for management of system. MUA postponed awarding management bid. Aug. 2014 – awarded to Eric Williams. No change since – comments sent to Enforcement on draft AO in Feb. 2015. System has continued to struggle with numerous operational and maintenance issues. Recent M/R violations. As of mid-2017, West Milford is looking to dissolve utility authority and transfer it to a private owner. Carry over from the 2013 List.

8	NJ1615002	West Milford MUA-Greenbrook Estate	GWR Significant Deficiencies 06/07/2012 and significant sanitary survey deficiencies 06/24/2013.	RFP went out for a contract for management of system. MUA postponed awarding management bid. Aug. 2014 – awarded to Eric Williams. No change since – comments sent to Enforcement on draft AO in Feb. 2015. System has continued to struggle with numerous operational and maintenance issues. Recent M/R violations. As of mid-2017, West Milford is looking to dissolve utility authority and transfer it to a private owner. Carry over from the 2013 List.
9	NJ1615006	West Milford MUA-Parkway	GWR Significant Deficiencies 06/07/2012 and sanitary survey deficiencies 06/24/2013. Inadequate storage.	RFP went out for a contract for management of system. MUA postponed awarding management bid. Aug. 2014 – awarded to Eric Williams. No change since – comments sent to Enforcement on draft AO in Feb. 2015. System has continued to struggle with numerous operational and maintenance issues. Recent M/R violations. As of mid-2017, West Milford is looking to dissolve utility authority and transfer it to a private owner. Carry over from the 2013 List.
10	NJ1615012	West Milford MUA-Awosting	GWR Significant Deficiencies 06/07/2012 and significant sanitary survey deficiencies 06/03/2013. Iron exceedances. Well #11 & 9 not operational.	RFP went out for a contract for management of system. MUA postponed awarding management bid. Aug. 2014 – awarded to Eric Williams. No change since – comments sent to Enforcement on draft AO in Feb. 2015. System has continued to struggle with numerous operational and maintenance issues. Recent M/R violations. As of mid-2017, West Milford is looking to dissolve utility authority and transfer it to a private owner. Carry over from the 2013 List.

	PWSID#	PWS NAME	INITIAL REASON LISTED	CURRENT STATUS
11	NJ1615014	West Milford MUA-Crescent Park	GWR Significant Deficiencies 06/27/2012 and significant sanitary survey deficiencies 06/27/2013.	RFP went out for a contract for management of system. MUA postponed awarding management bid. Aug. 2014 – awarded to Eric Williams. No change since – comments sent to Enforcement on draft AO in Feb. 2015. System has continued to struggle with numerous operational and maintenance issues. Recent M/R violations. As of mid-2017, West Milford is looking to dissolve utility authority and transfer it to a private owner. Carry over from the 2013 List.
12	NJ1615016	West Milford MUA-Olde Milford Estate	GWR Significant Deficiencies 06/27/2012 and significant sanitary survey deficiencies 06/24/2013.	RFP went out for a contract for management of system. MUA postponed awarding management bid. Aug. 2014 – awarded to Eric Williams. No change since – comments sent to Enforcement on draft AO in Feb. 2015. System has continued to struggle with numerous operational and maintenance issues. Recent M/R violations. As of mid-2017, West Milford is looking to dissolve utility authority and transfer it to a private owner. Carry over from the 2013 List.
13	NJ1615018	West Milford MUA-Bald Eagle Village	GWR Significant Deficiencies 06/07/2012 and significant sanitary survey deficiencies 06/03/2013.	RFP went out for a contract for management of system. MUA postponed awarding management bid. Aug. 2014 – awarded to Eric Williams. No change since – comments sent to Enforcement on draft AO in Feb. 2015. System has continued to struggle with numerous operational and maintenance issues. Recent M/R violations. As of mid-2017, West Milford is looking to dissolve utility authority and transfer it to a private owner. Carry over from the 2013 List.

	PWSID#	PWS NAME	INITIAL REASON LISTED	CURRENT STATUS
14	NJ1904004	North Shore Water Association	Facility lacks auxiliary power, distribution system is antiquated, only 1 well. Financial problems. Leaking oil tank contaminated well and treatment was installed by Spill Fund.	Working with system on drilling a test well. Septic systems near well cleaned out. Working with system on recommendations on technical, managerial and financial capacity. Staff sent letter Feb. 2015 with recommendations to improve their managerial and financials issues. At that point, the system was designated as a No Further Action case. However, since then, the system has drilled a test well with 150 feet of casing in 2015. The test well has better water quality than the existing well, which has a long history of ongoing Nitrates MCL exceedances. In 2016, system submitted a request for emergency use of a well. A Safe Drinking Water Permit for routine operation of the well is pending. North Shore is getting assistance under the 2014 Engineering Initiative Contract. An asset management assessment plan was completed in 2017 as a requirement of the Engineering contract. North Shore is still pursuing SRF loans for treatment (if needed), replacement of water mains, and storage tank. Carry over from the 2013 List.
15	NJ1921001	Sussex Water Department	Distribution system improvements. Total trihalomethane issues.	This system is new to our Strategy List. They currently have an ACO issued to due to Disinfection Byproduct Rule violations, as well as other system deficiencies. A site visit was conducted at the system alongside with DWLUE to see the status of the system's ACO compliance. Financial assistance options were mentioned to the system for their improvement projects to get them started. We will continue to follow up with the system to see what financial assistance they have been given to aide in their system deficiencies. Added to 2016 Strategy List.

16	NJ1922010	The Village of Lake Glenwood	Firm capacity being re-evaluated by Department. Portion of "Lower" distribution system is above ground. Undersized mains exist.	Test well drilled but did not yield water. Discussed options with engineer. Homeowners are engaged and financial management company hired. System received assistance through the Engineering Initiative Contract to assist with applying for a DWSRF loan. An asset management assessment was performed and the system is currently on the FFY2016 Final Project Priority List, and is eligible for very small system financing, for well #1 and #2 treatment upgrades or new wells to correct GWR significant deficiency. Planning documents and design plans & specs completed and submitted all required permits. A Safe Drinking Water Permit for treatment modifications was issued on October 7, 2015. On August 19, 2016, the Department confirmed that the project has been certified for a DWSRF loan. Awaiting of the project. Was stated that they are a bit behind on schedule. Will continue to follow up to ensure that work is completed and that the system has adequate firm capacity. Carry over from the 2013 List.
17	NJ2103002	Belvidere Square Apartment Complex	Has had incidents of chronic coliform excursions; System needs well rehabilitation which is contributing to the chronic coliform excursions	This system is new to our Strategy List. This system is a part of the Engineering Contract, and they are close to getting a loan for the construction design of their system. The general contact regarding ownership of this system has recently changed, so our Department is currently briefing them on their status and their contract terms. We will continue to follow up with this system. Added to 2016 Strategy List.

	Noncommunity			
18	NJ0339320	Wagner Boot Camp	Has had monitoring violations with the Total Coliform Rule and the Stage 2 Disinfectants and Disinfectant Byproducts Rule	This system is new to our Strategy List. We will be compiling a profile of this system, its assets, as well as coupling it with a site inspection to see what assistance they may need to achieve capacity. Added to 2016 Strategy List.
19	NJ0603324	Deerfield Municipal Court & Senior Center	MCL violations for radionuclides and nitrates	This system is new to our Strategy List. There has been a history of radiological MCL exceedances for this system. We will be compiling a profile of this system, its assets, as well as coupling it with a site inspection to see what assistance they may need to achieve capacity. Added to 2016 Strategy List.
20	NJ1808374	Bunker Hill Lutheran Church	MCL and monitoring violations for the Total Coliform Rule	This system is new to our Strategy List. Recently, the ACO that was issued to this system regarding 4-log virus inactivation was achieved after the certification of their installation of an ATS UV disinfection system for 4-log virus inactivation. There have been no coliform MCL exceedances since installation. The Department will continue to monitor the system's compliance with the SDWA to consider taking them off the Strategy List. Added to 2016 Strategy List.

APPENDIX II

**CAPACITY DEVELOPMENT PROGRAM:
SYSTEMS ON THE 2013 STRATEGY LIST
NEEDING NO FURTHER ACTION**

#	PWSID#	PWS NAME	INITIAL REASON LISTED	CURRENT STATUS
	<i>Community</i>			
1	NJ0339001	New Lisbon Developmental Center	Listed in 2007. Lead action level exceedances. Numerous monitoring and reporting violations (late & non-submittal).	Inspection of Upgraded Facilities and Close Out Report to file 06/05/14. Carryover from 2007 Strategy List; NFA
2	NJ1414009	Mountain Shore Water Supply	Facility lacks auxiliary power, distribution system is antiquated, only 1 well. Financial problems.	System experienced water emergency due to low pressure issues and installed temporary interconnection with Jefferson in Sept. 2014. A permit for permanent interconnection and distribution main replacement approved. System submitted plans & specs and EDD issued Jan 2015. System received DWSRF loan with very small water system financing terms in 2015 for the replacement of 2,500 LF of water main and installation of 900 LF of water main to connect to the Jefferson Twp. water system. In 2016, Jefferson Twp. signed agreement to permanent connection and the permit to operate is now being issued. Carryover from 2010 Strategy List; NFA
3	NJ1438001	Cliffside Park Water Assoc. Inc.	Listed in 2007. Exceedances of NJ secondary standards for iron and manganese. Recent lead and copper Action Level exceedances. Corrosion control treatment system in use not permitted. Undersized mains and inadequate storage.	Storage waiver issued. System installed two new wells. ACO extended to decommission well #1. This system is also looking to sell to a larger private utility. In Aug 2015, system entered into a Purchase Agreement with Aqua, and in Aug 2016, received BPU approval of the sale. Awaiting final execution of contract of sale. Carryover from 2010 Strategy List; NFA

#	PWSID#	PWS NAME	INITIAL REASON LISTED	CURRENT STATUS
4	NJ1521001	Ocean Gate	Mains are 80+ years old, iron problems within the distribution system, and no financial capacity to maintain system.	System received assistance in applying for a DWSRF loan through the Engineering Initiative Contract. An asset management assessment was performed and the system was ranked on the FFY2015 Final Project Priority List for replacement of water mains. Submitted planning documents and design plans and specs. On April 7, 2016, NJDEP confirmed that the loan was closed in escrow, and the project was completed by May 11, 2016. Carryover from 2010 Strategy; List NFA
5	NJ1347001	Lake Como Borough	WQ complaints late 2013 to early 2013	Working with system to clean and line water mains, locate & exercise valves & flush hydrants. 1 st phase Nov. 2014. 2 nd phase Jan. 2015 with USDA funds. O&M manual updated. Carryover from 2013 Strategy List; NFA
6	NJ1306001	Belmar Borough	WQ complaints late 2013 to early 2013	System cleaning and lining & replacing mains in phases and flushing hydrants. Various improvements to wells, tanks and treatment plant have been completed. System on NJWA SDWA Compliance Grant List. Working to engage management in planning for future improvements. Feb. 2015 - Letter sent to Boro management with action items & recommendations. No water quality complaints have since been received. Carryover from 2013 Strategy List; NFA

#	PWSID#	PWS NAME	INITIAL REASON LISTED	CURRENT STATUS
7	NJ1305001	Avon by the Sea Borough	WQ complaints late 2013 to early 2013	System cleaned and lined water mains, flushed hydrants, and repaired and/or replaced mains contributing to discolored water. System locating and exercising valves. System O&M manual updated. Carryover from 2013 Strategy List; NFA
	Noncommunity			
8	1007308	Sarah Dilts Farm-Main Pavilion	Total Coliform MCL, NOV & ACO issued	New well #2 operational & old #1 well sealed 11/13/2013. Final Report to File dated 01/23/2014. Carryover from 2013 Strategy List; NFA

NFA-No Further Action