

### 7.3 Drinking Water Facilities Funding Application

## Drinking Water Facilities Funding Application

### Consolidated Water Facilities Construction Program (CWFCP) Drinking Water State Revolving Fund Program (DWSRF)

Applicant	<b>Proposed Funding Package</b>
Address	CWFCP / DWSRF _____ Local Cash _____ Other _____ Other _____ Other _____
Subapplicant	Other _____ Other _____
DUNS Number	<b>TOTAL</b>

Project Title:

Description:

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The Applicant Certifies That:

I declare and affirm under the penalties of perjury that this application has been examined by me and, to the best of my knowledge and belief, is in all things true and correct.

\_\_\_\_\_  
Name & Title of Authorized Signatory (Typed)

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

**Professional Consultants**

**Application Prepared By:** \_\_\_\_\_

Contact Person: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

City, State, and Zip: \_\_\_\_\_

Telephone Number: \_\_\_\_\_ Fax: \_\_\_\_\_

Email address: \_\_\_\_\_

**Consulting Engineering Firm:** \_\_\_\_\_

Contact Person: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

City, State, and Zip: \_\_\_\_\_

Telephone Number: \_\_\_\_\_ Fax: \_\_\_\_\_

Email address: \_\_\_\_\_

**Legal Counsel's Firm:** \_\_\_\_\_

Legal Counsel: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

City, State, and Zip: \_\_\_\_\_

Telephone Number: \_\_\_\_\_ Fax: \_\_\_\_\_

Email address: \_\_\_\_\_

***This section applies only to political subdivisions***

**Bond Counsel's Firm:** \_\_\_\_\_

Bond Counsel: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

City, State, and Zip: \_\_\_\_\_

Telephone Number: \_\_\_\_\_ Fax: \_\_\_\_\_

Email address: \_\_\_\_\_

# BUDGET SHEET

Cost Classification	A CWFCP / DWSRF	B	C	D	E	Total Funds
1. Administrative Expenses						
A. Personal Services						
B. Travel						
C. Legal including Bond Counsel						
D. Other						
2. Land, Structure, Right-of-Way						
3. Engineering						
A. Bidding and Design Fees						
B. Project Inspection Fees						
C. Other						
4. Construction and Project Improvement						
5. Equipment						
6. Contractual Services						
7. Other						
8. Other						
9. Subtotal (Lines 1-8)						
10. Contingencies						
11. Total (Lines 9 and 10)						
12. Total %						

Columns A - E: Identify each funding source and enter the amounts budgeted by cost category.

Comments:

# Method of Financing

Source Header	Secured Funds	Unsecured Funds (Date Anticipated)
Local Cash (Identify Source)		
Other (Explain) _____		
Other (Explain) _____		
Other (Explain) _____		
Other (Explain) _____		
Other (Explain) _____		
<b>TOTAL</b>		

Comments:

### 7.3.1 Repayment Information

Interest rate and term you are applying for: \_\_\_\_\_ %, \_\_\_\_\_ years.

What security is being pledged toward the repayment of this loan?

**(Political Subdivisions Only)**

- 1. General Obligation bond (requires bond election)
- 2. Water Revenue bond
- 3. Project Surcharge Revenue bond
- 4. Sales Tax Revenue bond

### 7.3.2 Documents That Must Be Submitted With The Application

#### Financial Documents

1. Most recent audit or unaudited financial statement to include specific accounting of pledged funds.
2. Current year's budget.

#### Planning and Legal Documents

1. Governing user charge ordinance or resolution and its effective date.
2. Resolution of authorized signatory for submission of the Drinking Water SRF application and signing of payment requests. This resolution must also include the maximum loan amount requested, interest rate and term being applied for, description of proposed project, and security pledged towards repayment of the loan.
3. Facilities Plan (8.3.18).
4. Capacity Assessment Worksheets (section 8.3.16).

**Items 5-7 apply to Nonprofit Entities only**

5. By-laws
6. Articles of Incorporation
7. Certificate of Good Standing from Secretary of State

### 7.3.3 General Information

The month and day your fiscal year begins: \_\_\_\_\_

Population Served

Current _____	2000 _____	1990 _____
Top Five Employers Within 30 Miles	Number of Employees	Type of Business
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Please indicate employers within boundary of issuing entity with an asterisk (\*).

### 7.3.4 Drinking Water Utility Information

#### Current Water Utility Debt

Year							
Purpose							
Security Pledged							
Amount							
Maturity Date (mo/yr)							
Debt Holder							
Debt Coverage Requirement							
Avg. Annual Required Payment							
Outstanding Balance							

Use additional sheets if more room is required to list all current water utility debt.

## Drinking Water Utility Cash Flow

	Prior Year	Prior Year	Current Year	Future Year #
Fiscal Year				
<b>OPERATING CASH FLOW</b>				
Water Sales				
Surcharge Fee				
Other (Explain) _____				
_____				
<b>OPERATING PAYMENTS</b>				
Personal Services				
Chemical, Material & Supplies				
Electric & Other Utilities				
Other (Explain) _____				
_____				
<b>NET CASH FROM OPERATIONS</b>				
<b>NONOPERATING CASH FLOW</b>				
Interest Income				
Other Revenue (Explain) _____				
_____				
Transfers In (Explain) _____				
_____				
Fixed Asset Sale (Explain) _____				
_____				
Transfers Out (Explain) _____				
_____				
Fixed Asset Purchases (Explain) _____				
_____				
Debt Payment (Principal Only)				
Debt Payment (Interest Only)				
Other Expenses (Explain) _____				
_____				
<b>NET CASH FROM NONOPERATING</b>				
Net Increase (Decrease) in Cash				
Beginning Cash Balance				
Ending Cash Balance				
<b>RESTRICTED BALANCE</b>				
<b>UNRESTRICTED BALANCE</b>				

# Future Year: First full year after project completion.

Restricted Funds Breakdown:

<u>Amount</u>	<u>Anticipated Expense</u>	<u>Method Used to Encumber</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Water Fees:

**Attach current and proposed rate ordinances or resolutions and rate schedules.**

Municipal or Sanitary District - monthly rates at 5,000 gallons (670 cubic feet)

Other Community Water System - monthly rates at 7,000 gallons (935 cubic feet)

Check one:  Incorporated Municipality or Sanitary District

**or**

Other Community Water System

Monthly:	<u>Current Rate</u>	<u>Proposed Rate</u>	<u># of Accounts</u>	<u>Average use gallons/cubic feet</u>
Domestic	_____	_____	_____	_____
Business	_____	_____	_____	_____
Other: _____	_____	_____	_____	_____

Are fees based on usage or flat rate? \_\_\_\_\_

When is proposed fee scheduled to take effect? \_\_\_\_\_

When did the current fee take effect? \_\_\_\_\_

What was the fee prior to the current rate? \_\_\_\_\_

**Attach current and proposed rate ordinances or resolutions and rate schedules.**

Five Largest Customers	Type of Business	% of System Revenues
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

### 7.3.5 Property Tax Information

*(Complete only if General Obligation bond is pledged to repay your loan.)*

Three year valuation trend:

Year			
Assessed Valuation	_____	_____	_____
Full & True Valuation	_____	_____	_____

Three year levies and collection trend:

Year			
Amount Levied	_____	_____	_____
Collected	_____	_____	_____
Penalties/Interest	_____	_____	_____
Late Payments	_____	_____	_____

Five Largest Taxpayers	Description	Assessed Valuation
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Comments:

List all current debt secured by General Obligation bond:

Year				
Purpose				
Security Pledged				
Amount				
Maturity Date (mo/yr)				
Debt Holder				
Debt Coverage Requirement				
Avg. Annual Required Payment				
Outstanding Balance				

Use additional sheets if more room is required to list all current G.O. debt.

Comments:

### 7.3.6 Sales Tax Information

**(Complete only if sales tax is pledged to repay your loan.)**

Sales tax revenue history for the most current fifteen months:

Month/Year	Amount Collected
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Comments:

List all current debt secured by sales tax:

Year Issued				
Purpose				
Amount				
Maturity Date (mo/yr)				
Debt Holder				
Debt Coverage Requirement				
Avg. Annual Required Payment				
Outstanding Balance				

Use additional sheets if more room is required to list all current sales tax debt.

Comments:

### 7.3.7 Facilities Plan Checklist.

Before submitting the application, please take a few moments to complete the following checklist. Addressing these items prior to submitting the application will expedite the review process

Checklist of SRF Facilities Plan Requirements	
Have the following items been addressed?	
◆ Submission of a Facilities Plan to the department that addresses those items found in section 8.3.18.	_____
◆ A public hearing held discussing the project and the use of an SRF loan to finance the project. (See section 8.3.15)	_____
◆ Minutes of the public hearing prepared and submitted to the department for inclusion into the final Facilities Plan.	_____
◆ The affidavit of publication of the public hearing received and submitted to the department for inclusion into the final Facilities Plan. (See section 8.3.15)	_____
◆ The four review agencies contacted and responses received for inclusion into the final Facilities Plan. (See section 8.3.18)	_____
◆ The Cultural Resources Effects Assessment Summary and supporting documentation, such as an archaeological survey or Historic Register database search. (See section 8.3.20)	_____

### 7.3.8 Certification of Drinking Water Needs Categories

Identify the loan amount associated with the needs category or categories described below. If the loan addresses needs in more than one category, please break down the total amount into estimated amounts for each category.

Definition	Loan Amount
<u>Transmission/Distribution</u>	
<u>Treatment</u>	
<u>Storage</u>	
<u>Source</u>	
<u>System Purchase</u>	
<u>Restructuring</u>	
<u>1452(k) Loan Activities</u>	
1. To acquire land or a conservation easement for source water protection.	
2. To implement voluntary, incentive-based source water quality protection measures.	
<b>TOTAL</b>	

\_\_\_\_\_  
Name of Applicant

\_\_\_\_\_  
Signature of Authorized Representative

\_\_\_\_\_  
Date

### 7.3.9 Preaward Compliance Review

FORM Approved By OMB: No. 2030-0020 Expires 12-31-2011

United States Environmental Protection Agency Washington, DC 20460		
<b>Preaward Compliance Review Report for All Applicants and Recipients Requesting EPA Financial Assistance</b> <b>Note : Read instructions on other side before completing form.</b>		
I. Applicant/Recipient (Name, Address, State, Zip Code).	DUNS No.	
II. Is the applicant currently receiving EPA assistance?		
III. List all civil rights lawsuits and administrative complaints pending against the applicant/recipient that allege discrimination based on race, color, national origin, sex, age, or disability. (Do not include employment complaints not covered by 40 C.F.R. Parts 5 and 7. See instructions on reverse side.)		
IV. List all civil rights lawsuits and administrative complaints decided against the applicant/recipient within the last year that allege discrimination based on race, color, national origin, sex, age, or disability and enclose a copy of all decisions. Please describe all corrective action taken. (Do not include employment complaints not covered by 40 C.F.R. Parts 5 and 7. See instructions on reverse side.)		
V. List all civil rights compliance reviews of the applicant/recipient conducted by any agency within the last two years and enclose a copy of the review and any decisions, orders, or agreements based on the review. Please describe any corrective action taken. (40 C.F.R. § 7.80(c)(3)).		
VI. Is the applicant requesting EPA assistance for new construction? If no, proceed to VII; if yes, answer (a) and/or (b) below. a. If the grant is for new construction, will all new facilities or alterations to existing facilities be designed and constructed to be readily accessible to and usable by persons with disabilities? If yes, proceed to VII; if no, proceed to VI(b). b. If the grant is for new construction and the new facilities or alterations to existing facilities will not be readily accessible to and usable by persons with disabilities, explain how a regulatory exception (40 C.F.R. § 7.70) applies.		
VII.* Does the applicant/recipient provide initial and continuing notice that it does not discriminate on the basis of race, color, national origin, sex, age, or disability in its programs or activities? (40 C.F.R. § 5.140 and § 7.95) a. Do the methods of notice accommodate those with impaired vision or hearing? Yes    b. Is the notice posted in a prominent place in the applicant's offices or facilities or, for education programs and activities, in appropriate periodicals and other written communications? Yes    c. Does the notice identify a designated civil rights coordinator?		
VIII.* Does the applicant/recipient maintain demographic data on the race, color, national origin, sex, age, or handicap of the population it serves? (40 C.F.R. § 7.85(a))		
IX.* Does the applicant/recipient have a policy/procedure for providing access to services for persons with limited English proficiency? (40 C.F.R. Part 7, E.O. 13166)		
X.* If the applicant/recipient is an education program or activity, or has 15 or more employees, has it designated an employee to coordinate its compliance with 40 C.F.R. Parts 5 and 7? Provide the name, title, position, mailing address, e-mail address, fax number, and telephone number of the designated coordinator.		
XI* If the applicant/recipient is an education program or activity, or has 15 or more employees, has it adopted grievance procedures that assure the prompt and fair resolution of complaints that allege a violation of 40 C.F.R. Parts 5 and 7? Provide a legal citation or Internet address for, or a copy of, the procedures.		
<b>For the Applicant/Recipient</b> I certify that the statements I have made on this form and all attachments thereto are true, accurate and complete. I acknowledge that any knowingly false or misleading statement may be punishable by fine or imprisonment or both under applicable law. I assure that I will fully comply with all applicable civil rights statutes and EPA regulations.		
A. Signature of Authorized Official	B. Title of Authorized Official	C. Date
<b>For the U.S. Environmental Protection Agency</b> I have reviewed the information provided by the applicant/recipient and hereby certify that the applicant/recipient has submitted all preaward compliance information required by 40 C.F.R. Parts 5 and 7; that based on the information submitted, this application satisfies the preaward provisions of 40 C.F.R. Parts 5 and 7; and that the applicant has given assurance that it will fully comply with all applicable civil rights statutes and EPA regulations.		
A. Signature of Authorized EPA Official See ** note on reverse side.	B. Title of Authorized EPA Official	C. Date

# Instructions for EPA FORM 4700-4 (Rev. 03/2008) General

Recipients of Federal financial assistance from the U.S. Environmental Protection Agency must comply with the following statutes and regulations.

Title VI of the Civil Rights Acts of 1964 provides that no person in the United States shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance. The Act goes on to explain that the statute shall not be construed to authorize action with respect to any employment practice of any employer, employment agency, or labor organization (except where the primary objective of the Federal financial assistance is to provide employment).

Section 13 of the 1972 Amendments to the Federal Water Pollution Control Act provides that no person in the United States shall on the ground of sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under the Federal Water Pollution Control Act, as amended. Employment discrimination on the basis of sex is prohibited in all such programs or activities.

Section 504 of the Rehabilitation Act of 1973 provides that no otherwise qualified individual with a disability in the United States shall solely by reason of disability be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance. Employment discrimination on the basis of disability is prohibited in all such programs or activities.

The Age Discrimination Act of 1975 provides that no person on the basis of age shall be excluded from participation under any program or activity receiving Federal financial assistance. Employment discrimination is not covered. Age discrimination in employment is prohibited by the Age Discrimination in Employment Act administered by the Equal Employment Opportunity Commission.

Title IX of the Education Amendments of 1972 provides that no person in the United States on the basis of sex shall be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any education program or activity receiving Federal financial assistance. Employment discrimination on the basis of sex is prohibited in all such education programs or activities. Note: an education program or activity is not limited to only those conducted by a formal institution.

40 C.F.R. Part 5 implements Title IX of the Education Amendments of 1972.

40 C.F.R. Part 7 implements Title VI of the Civil Rights Act of 1964, Section 13 of the 1972 Amendments to the Federal Water Pollution Control Act, and Section 504 of The Rehabilitation Act of 1973.

The Executive Order 13166 (E.O. 13166) entitled; "Improving Access to Services for Persons with Limited English Proficiency" requires Federal agencies work to ensure that recipients of Federal financial assistance provide meaningful access to their LEP applicants and beneficiaries.

## Items

"Applicant" means any entity that files an application or unsolicited proposal or otherwise requests EPA assistance. 40 C.F.R. §§ 5.105, 7.25.

"Recipient" means any entity, other than applicant, which will actually receive EPA assistance. 40 C.F.R. §§ 5.105, 7.25.

"Civil rights lawsuits and administrative complaints" means any lawsuit or administrative complaint alleging discrimination on the basis of race, color, national origin, sex, age, or disability pending or decided against the applicant and/or entity which actually benefits from the grant, but excluding employment complaints not covered by 40 C.F.R. Parts 5 and 7. For example, if a city is the named applicant but the grant will actually benefit the Department of Sewage, civil rights lawsuits involving both the city and the Department of Sewage should be listed.

"Civil rights compliance review" means any review assessing the applicant's and/or recipient's compliance with laws prohibiting discrimination on the basis of race, color, national origin, sex, age, or disability.

Submit this form with the original and required copies of applications, requests for extensions, requests for increase of funds, etc. Updates of information are all that are required after the initial application submission.

If any item is not relevant to the project for which assistance is requested, write "NA" for "Not Applicable."

In the event applicant is uncertain about how to answer any questions, EPA program officials should be contacted for clarification.

\* Questions VII – XI are for informational use only and will not affect an applicant's grant status. However, applicants should answer all questions on this form. (40 C.F.R. Parts 5 and 7).

\*\* Note: Signature appears in the Approval Section of the EPA Comprehensive Administrative Review For Grants/Cooperative Agreements & Continuation/Supplemental Awards form.

Approval indicates, in the reviewer's opinion, questions I – VI of Form 4700-4 comply with the preaward administrative requirements for EPA assistance.

## "Burden Disclosure Statement"

EPA estimates public reporting burden for the preparation of this form to average 30 minutes per response. This estimate includes the time for reviewing instructions, gathering and maintaining the data needed and completing and reviewing the form. Send comments regarding the burden estimate, including suggestions for reducing this burden, to

U.S. EPA, Attn: Collection Strategies Division (MC 2822T), Office of Information Collection, 1200 Pennsylvania Ave., NW, Washington, D.C. 20460; and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, D.C. 20503.

The information on this form is required to enable the U.S. Environmental Protection Agency to determine whether applicants and prospective recipients are developing projects, programs and activities on a nondiscriminatory basis as required by the above statutes and regulations.

### 7.3.10 Certification Regarding Debarment, Suspension, and Other Responsibility Matters

The prospective participant certifies to the best of its knowledge and belief that it and its principals:

- (a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
- (b) Have not within a three year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
- (c) Are not presently indicted for or otherwise criminally or civilly charged by a government entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (b) of this certification; and
- (d) Have not within a three year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.

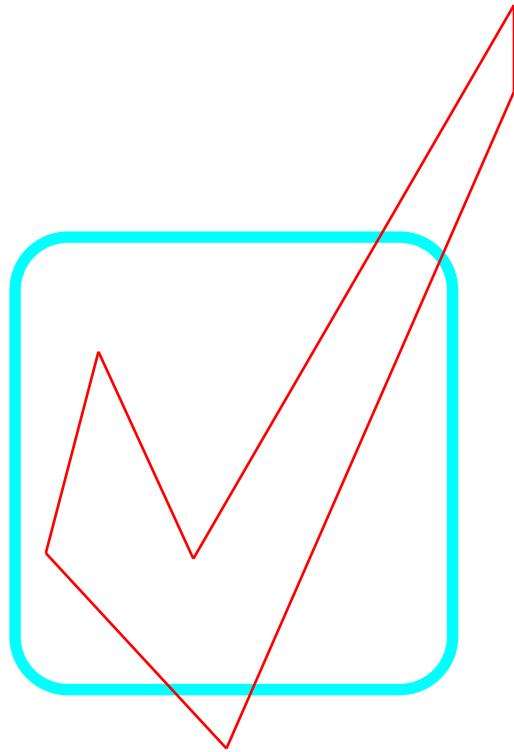
I understand that a false statement on this certification may be grounds for rejection of this proposal or termination of the award. In addition, under 18 U.S.C. §1001, a false statement may result in a fine of up to \$10,000 or imprisonment for up to 5 years, or both.

\_\_\_\_\_  
Name & Title of Authorized Representative

\_\_\_\_\_  
Signature of Authorized Representative                      Date

\_\_\_\_\_ I am unable to certify to the above statements. Attached is my explanation

# **8.3.16 Capacity Assessment Worksheets for Public Water Systems**



**Department of  
Environment and Natural Resources**

Revised January 2007

## Introduction

Because you are in the process of applying for a Drinking Water State Revolving Fund (DWSRF) loan, it is necessary for you to complete the following worksheets. The Safe Drinking Water Act requires that a system applying for a DWSRF loan must demonstrate that it has financial, managerial, and technical capacity. What exactly does that mean?

- **Technical capacity** - the physical infrastructure of the water system, including but not limited to the source water adequacy, infrastructure adequacy, and technical knowledge. In other words, does your treatment system work the way it is supposed to? Are you providing the safest and cleanest water possible and required by law to your customers right now, and will you be able to in the future?
- **Managerial capacity** - the management structure of the water system, including but not limited to ownership accountability, staffing and organization, and effective linkages. In simpler terms, do you have a capable and trained staff? Do you have an effective management structure?
- **Financial capacity** - the financial resources of the water system, including but not limited to the revenue sufficiency, credit worthiness, and fiscal controls. Basically, does your system have a budget and enough revenue coming in to cover costs, repairs, and replacements?

If it is determined that your system does NOT have the required capacity, you may still qualify for a DWSRF loan if it is going to be used to ensure that your system will have the necessary capacity. If you have questions while completing the following worksheets, please call our office at **(605) 773-3754**, and we will be happy to help.

After DENR receives these worksheets, we will study them and other information located in our files to make a determination whether or not your public water system has the technical, financial, and managerial capacity to be eligible to apply for a DWSRF loan. A final report will be available upon completion of the analysis.

**Applicant:** \_\_\_\_\_

**Prepared by:** \_\_\_\_\_

**Phone #:** \_\_\_\_\_

**Date:** \_\_\_\_\_

## Glossary of Terms

**Contaminant:** Any physical, chemical, biological, or radiological substance or matter in water;

**Disinfectant:** Any oxidant, including chlorine, chlorine dioxide, chloramine, and ozone, that is added to water in any part of the treatment or distribution process and that is intended to kill or inactivate pathogenic microorganisms;

**Disinfectant contact time:** The time in minutes that it takes for water to move from the point of disinfectant application or the previous point of disinfectant residual measurement to a point before or at the point where residual disinfectant concentration is measured;

**Filtration:** A process for removing particulate matter from the water by passing the water through porous media;

**Ground Water:** The supply of fresh water found beneath the surface of the ground, usually in aquifers, which is often used for supplying wells and springs;

**Ground Water Under the Direct Influence of Surface Water:** Any water beneath the surface of the ground with a significant occurrence of insects, macroorganisms, algae, or large-diameter pathogens such as *Giardia lamblia*; or any water with significant and relatively rapid shifts in water quality characteristics such as turbidity, temperature, conductivity, or pH which closely correlate to climatological or surface water conditions;

**Maximum Contaminant Level (MCLs):** The maximum permissible level of a contaminant in water delivered to any user of a public water system. MCLs are enforceable standards;

**mg/L:** milligrams per liter - equivalent to parts per million;

**µg/L:** micrograms per liter - equivalent to parts per billion;

**NTU:** nephelometric turbidity unit;

**psi:** pounds per square inch

**Surface Water:** All water that is open to the atmosphere and subject to surface runoff;

**Turbidity:** A cloudy condition in water due to suspended silt or organic matter; and

**Waiver:** A process used by the Department of Environment and Natural Resources that allows a public water system to reduce or eliminate monitoring for a particular chemical.

## The Technical Portion of your System

### Your Water Supply

Please check the appropriate box: *Yes*, *No*, or *Unknown* for each section. Please try to determine the answer to every question. ***If a section or question does not apply to your system, please check NA for not applicable.***

<b>Water Supply and Existing Demands</b>	<b>Yes</b>	<b>No</b>	<b>Unknown</b>	<b>NA</b>
Do you know how much water you pump on an average day? <b>Amount:</b> _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Do you know how much water you pump on a peak day? <b>Amount:</b> _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Do you know the maximum amount of water you can pump from your source? <b>Amount:</b> _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is your source capacity higher than your peak day demand? <b>Percentage higher or lower:</b> _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Can you meet peak demand without pumping at peak capacity for extended periods? <b>Longest time pumping at peak demand:</b> _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Have you been able to provide adequate volumes of water during drought cycles?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Have you had to restrict usage at any time for any reason? <b>Please specify:</b> _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Does your system have an emergency or supplemental water supply? <b>Please specify:</b> _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Do you have an Emergency Response Plan that will allow you to meet system demand during a drought or shortage, such as the loss of the largest source? <b><i>If yes, please attach.</i></b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Water Demand</b>	<b>Yes</b>	<b>No</b>	<b>Unknown</b>	<b>NA</b>
Do you know whether your system demands will be growing, declining, or remain stable over the next ten years? <b>Please check:</b> <input type="checkbox"/> <b>growing,</b> <input type="checkbox"/> <b>declining,</b> or <input type="checkbox"/> <b>stable.</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Does your source have additional water available for appropriation?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Do you have a water right? <b>Water right permit number(s):</b> _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
If you have large commercial, industrial, or irrigation users, do you know their long-term plans and understand their needs?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Purchased Water</b>	<b>Yes</b>	<b>No</b>	<b>Unknown</b>	<b>NA</b>
If you purchase water from another system or a wholesaler, do you know their long-term plans?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Do you have a contract to purchase water? <b>If yes, with whom?</b> _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are you currently staying within your contract?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are you knowledgeable about other demands being placed on the same water source that you are using?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

<b>Alternative Sources</b>	<b>Yes</b>	<b>No</b>	<b>Unknown</b>	<b>NA</b>
Are alternative water sources possibly available to you?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are you knowledgeable of the characteristics and costs of using alternative sources?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Water Source</b>	<b>Yes</b>	<b>No</b>	<b>Unknown</b>	<b>NA</b>
Do you know the depth of your well? <i>Depth</i> _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Do you know the geologic name of the aquifer system from which your water is drawn? <i>If yes, geologic name:</i> _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are all abandoned water sources properly managed and disconnected to prevent accidental contamination or problems with current water system facilities?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

### ***Treatment - Microbiological Contamination***

**Is your system using surface water or ground water under the influence of surface water?**  **yes**  **no**

***(If you checked "no", skip to the next section - Ground Water Systems – unless your water system requires treatment other than just disinfection.)***

### ***Surface Water Systems***

<b>Filtration Plant Condition</b>	<b>Yes</b>	<b>No</b>	<b>Unknown</b>	<b>NA</b>
Is your filter plant in good physical condition (free from spalling concrete, peeling paint)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
If constructed more than 20 years ago, have treatment processes been upgraded to meet current standards?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are repair parts available?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Do you have redundancy (back-ups/automatic switch-overs) for all major mechanical units? <b><i>If no, list units you do NOT have redundancy for:</i></b> _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Can your plant achieve a filtered water turbidity of 0.3 NTU?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Do you have on-line continuous turbidimeters on each filter?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Have you adopted a turbidity goal lower than the standard? <b><i>If yes, list goal:</i></b> _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Do you have the capability to add coagulant before the filter?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

### ***Ground Water Systems***

<b>Ground Water Under the Influence of Surface Water</b>	<b>Yes</b>	<b>No</b>	<b>Unknown</b>	<b>NA</b>
Is your water free from variations in turbidity and temperature after storm events?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Well Construction and Protection</b>				

Do you know when your well was constructed?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>List year:</b> _____				
Is your well(s) constructed according to current South Dakota regulations?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Do you have a source water protection plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is your wellhead finished with a pitless adapter that will prevent contamination from surface water?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## Disinfection

Do you disinfect?  yes  no *(If "no", skip to the Infrastructure - Pumping section)*

Disinfection	Yes	No	Unknown	NA
Do you regularly inspect and maintain your disinfection / chlorination equipment? <b>Type of Equipment:</b> _____ <b>How often?</b> _____ <b>Disinfectant used:</b> _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Do you have back-up equipment? <b>Type:</b> _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Do you have adequate contact time following disinfection and before the first user in the distribution system (30 minutes for ground water systems)? <b>Contact time:</b> _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Can you detect a chlorine residual at taps at the ends of the distribution system? <b>Free Chlorine Residual:</b> _____ <b>Total Chlorine Residual:</b> _____ (if using chloramines)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## Disinfection By-Products

Treatment for the Control of Disinfection By-Products	Yes	No	Unknown	NA
If you treat surface water, are you already practicing or could you adopt "enhanced coagulation" in your current plant?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
If you treat surface water, could you still meet current contact-time requirements if disinfection were not allowed before sedimentation?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## Treatment - Security

Treatment Security	Yes	No	Unknown	NA
Has the system implemented procedures to improve security of its facilities? (i.e. limiting access to sensitive sites, protecting computer and control equipment etc.)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are chemicals used for treatment properly stored and secure?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Does the water system track chemical usage? (i.e. a sudden	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

increase in usage may signal potential contamination or tampering.

## Infrastructure - Pumping

<b>Condition of Pumping Equipment</b>	<b>Yes</b>	<b>No</b>	<b>Unknown</b>	<b>NA</b>
Do you routinely inspect for signs of pump or pump motor problems? <i>How often:</i> _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Once diagnosed, are problems corrected in a timely enough manner to avoid crisis financing, costly repairs, and unscheduled downtime?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Do you hire a qualified pump contractor to perform an inspection of all pumping equipment, identify potential problems, and perform maintenance, on an annual basis?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Standby/Emergency Power Equipment</b>	<b>Yes</b>	<b>No</b>	<b>Unknown</b>	<b>NA</b>
Is there sufficient standby/emergency power capacity to supply 100% of the average daily demand of the system (excluding fire demand)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are any existing standby/emergency power equipment, controls and switches tested or exercised routinely under load conditions, for at least 30 minutes at a time?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Has the local electric utility been made aware of the standby/emergency power provisions made by the water system, so that they can reinforce and safeguard the electrical facilities serving the water operations?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## Infrastructure - Storage

<b>Storage Capacity</b>	<b>Yes</b>	<b>No</b>	<b>Unknown</b>	<b>NA</b>
Does the system have sufficient gravity-flow (non-pumped) or emergency generator-supported pumping capability to ensure adequate distribution storage to provide safe and adequate service for up to 24 hours without power? <i>If no, how long:</i> _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is there reserve capacity in the tank for fire protection support? <i>Amount:</i> _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Security Measures</b>	<b>Yes</b>	<b>No</b>	<b>Unknown</b>	<b>NA</b>
Are any openings, such as vent pipes, screened to protect against the entrance of small animals, birds, and small insects?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are access hatches locked?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is the tank and the immediate surrounding area fenced?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Control Systems</b>	<b>Yes</b>	<b>No</b>	<b>Unknown</b>	<b>NA</b>
Is there a high and low water level signal system to control the pumps?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Is there a drain valve or hydrant to allow for draining of the tank?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Tank Maintenance</b>				
Is the tank inspected at least every three years by a qualified tank contractor for evidence of corrosion or pitting, leakage, and structural weakness?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is the tank contractor capable of analyzing the coating of paint on the interior and exterior surfaces of the tank to determine if it contains lead or other hazardous materials?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## ***Infrastructure - Distribution***

<b>System Maintenance</b>	<b>Yes</b>	<b>No</b>	<b>Unknown</b>	<b>NA</b>
Do you have an accurate map of your distribution system that indicates main sizes and valve locations?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Does the operator routinely flush, test, and maintain the hydrants in the system?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>How often:</b>				
Are the locations of valves in the mains and curb stops on the service lines precisely known?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Does the system keep a log of distribution system breaks to identify weak areas in the system?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are histories, locations, size, and type of mains and service lines detailed on records in a secure area?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are all valves exercised and lubricated periodically?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is the system free of severe "water hammer" problems?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are meter pits, pressure regulating valves, altitude valves, blow-offs, and other appurtenances maintained on a regular basis?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Unaccounted-for Water</b>	<b>Yes</b>	<b>No</b>	<b>Unknown</b>	<b>NA</b>
Is unaccounted-for water in the water system monitored and analyzed each month?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is the unaccounted-for water less than 15 percent of the total water delivered to the mains?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>List percentage of unaccounted for water:</b> _____ %				
	<b>Yes</b>	<b>No</b>	<b>Unknown</b>	<b>NA</b>
Are the normal operating pressures in the distribution system between 25 psi and 125 psi?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Normal operating pressure:</b> _____ psi				
Do you have a routine leak detection and repair program?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are all sources of supply and customers metered?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are the meters calibrated and tested routinely to ensure their accuracy and reliability?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Water Quality in Distribution System</b>	<b>Yes</b>	<b>No</b>	<b>Unknown</b>	<b>NA</b>
Does your system have an active cross-connection control program?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Are any inspections for cross-connections performed?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is there a program for installing and testing backflow prevention devices where potential contamination is present?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is there a program to eliminate "dead-ends" in the mains, where feasible?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Construction Standards</b>	<b>Yes</b>	<b>No</b>	<b>Unknown</b>	<b>NA</b>
Are the majority of your mains 6 inches in diameter or larger? <b>List percentage:</b> _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is there a program to gradually replace sub-standard sized mains?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are there suitable rights-of-way and easements provided to the water system for expansion, maintenance, and replacement of mains and services?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is there sufficient earth cover (six feet) to protect the mains from frost damage or heavy loads, if driven over?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are materials of mains designed and selected to resist corrosion, electrolysis, and deterioration?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Distribution System Problems</b>	<b>Yes</b>	<b>No</b>	<b>Unknown</b>	<b>NA</b>
Do you receive any complaints regarding water quality (taste, odor, color, etc.)? <b>List number of complaints/year:</b> _____ <b>Most common complaint:</b> _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Can you maintain adequate pressure in the distribution system under all conditions of flow?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## The Management Portion of your System

Please mark the appropriate box: *Yes*, *No*, or *Unknown* for each section. Please try to determine the answer to every question. ***If a section does not apply to your system, please write NA for not applicable.***

### ***Operation & Maintenance***

<b>Operations Staff</b>	<b>Yes</b>	<b>No</b>	<b>Unknown</b>	<b>NA</b>
Does the person operating your system have current water treatment plant and water distribution operator certification credentials from DENR? <b><i>If yes, list classification(s):</i></b> _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Does your operator receive additional training on an ongoing basis to keep current on new developments in the field?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Future Operational Demands</b>	<b>Yes</b>	<b>No</b>	<b>Unknown</b>	<b>NA</b>
Does your water system obtain any regular or occasional technical assistance from outside sources, such as DENR, your engineer, other utilities or organizations specifically dedicated to providing technical assistance? <b><i>If yes, who</i></b> _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

### ***Management & Administration***

<b>Who's in Charge?</b>	<b>Yes</b>	<b>No</b>	<b>Unknown</b>	<b>NA</b>
Is there a clear plan of organization and control among the people responsible for management and operation of the system?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Does your system have written personnel policies and job descriptions signed by the employees?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are the limits of the operator's authority clearly known?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Does everyone involved in operations know who is responsible for each area?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is someone responsible for scheduling work?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Security</b>	<b>Yes</b>	<b>No</b>	<b>Unknown</b>	<b>NA</b>
Does the system have procedures for handling new and terminated employees (i.e. collecting keys, changing locks and computer passwords)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Rules and Standards</b>	<b>Yes</b>	<b>No</b>	<b>Unknown</b>	<b>NA</b>
Do you have explicit rules and standards for system modifications?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Do you have rules governing new hook-ups?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Do you have a water main extension policy?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Do you have standard construction specifications to be followed?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

	Yes	No	Unknown	NA
Do you have measures to assure cross-connection control and backflow prevention?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Do you have policies or rules describing customer rights and responsibilities?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Regulatory Compliance Program</b>	<b>Yes</b>	<b>No</b>	<b>Unknown</b>	<b>NA</b>
Do you fully understand monitoring requirements and have a scheduling mechanism to assure compliance?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Do you know how to obtain clarification or explanation of requirements?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Do you have a mechanism to obtain the most recent information on regulatory requirements?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Do you maintain adequate records to document compliance? <i>If yes, for how long?</i> _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Did your system have any violations of the primary drinking water standards in the last year?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Did your system have any monitoring or reporting violations in the last year?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Do you know what to do in the event of a violation?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Emergencies</b>	<b>Yes</b>	<b>No</b>	<b>Unknown</b>	<b>NA</b>
Do you have an Emergency Response Plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is there a contingency for making emergency interconnections to neighboring systems, and do you know they will work if needed?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Does everyone involved in operations know what they are to do in the event of contamination from a toxic hazardous waste spill in your source water or a main break or a tank failure?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Do you have a clear chain-of-command protocol for emergency action?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is someone responsible for emergency operations, for communications with state regulators, for customer relations, for media relations? <i>If yes, who (title):</i> _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Safety</b>	<b>Yes</b>	<b>No</b>	<b>Unknown</b>	<b>NA</b>
Do you have a safety program defining measures to be taken if someone is injured?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Has the entire staff been properly trained in the location and use of safety equipment?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Does everyone understand the risks and safety measures involved in handling water treatment chemicals?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Do you have written operating procedures for both routine and emergency system operations?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are you fully aware of Occupational Safety and Health Administration (OSHA) confined space (such as trenches/manholes) regulations?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Does the system work with customers to promote their awareness of security?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Does the system have a communication plan to alert customers of a natural or intentional threat to public health?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

<b>Maintenance</b>	<b>Yes</b>	<b>No</b>	<b>Unknown</b>	<b>NA</b>
Do you have a planned maintenance management system -- a system for scheduling routine preventive maintenance (line flushing, pumps, meters, storage tanks, etc.)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Do you have a system for assuring adequate inventory of essential spare parts and back-up equipment?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Do you have relationships with contractors and equipment vendors to assure prompt priority service?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Do you have records and data management systems for system operating and maintenance data, for regulatory compliance data, and for system management and administration?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Management Capability</b>	<b>Yes</b>	<b>No</b>	<b>Unknown</b>	<b>NA</b>
Are you getting the outside services and technical assistance you need? Do you have adequate legal counsel, insurance, engineering advice, technical/operations assistance, rate case preparation, and financial advice?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## The Financial Portion of your System

Please mark the appropriate box: *Yes*, *No*, or *Unknown* for each section. Please try to determine the answer to every question. ***If a section does not apply to your system, please write NA for not applicable.***

<b>Financial Planning Mechanisms</b>	<b>Yes</b>	<b>No</b>	<b>Unknown</b>	<b>NA</b>
Does your system develop and follow an annual budget that is approved by the governing body?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Does the governing body review a monthly summary of revenues and expenses of the utility system?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Do you have within the annual budget separate reserve accounts for equipment replacement, capital improvement, depreciation or security upgrades?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b><i>If so, list accounts:</i></b> _____				
Does the system have reserve funds available in the event of an emergency?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Do you have a capital budget or capital improvement plan that projects future capital investment needs some distance (at least five years) into the future?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Do you have a process for scheduling and committing to capital projects?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Does your planning process take account of all the potential capital needs suggested by your answers to the technical questions in these worksheets?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Does your long-term planning incorporate analysis of alternative strategies that might offer cost saving to customers, such as consolidation with other nearby systems or sharing of operations and management expenses with other nearby systems?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Rates/Billing - Are they Adequate?</b>	<b>Yes</b>	<b>No</b>	<b>Unknown</b>	<b>NA</b>
Do you regularly review your rates?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b><i>How often?</i></b> _____				
Do you have a plan in place for periodic increases in rates?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is the rate structure based on metered watered use?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b><i>List rates per 1000 gallons:</i></b> _____				
(i.e. \$22 minimum plus \$2.50/1000 gallons)				
Does the rate per 1000 gallons change as consumption increases? <b><i>If so, please describe:</i></b> _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Does the rate structure assure proportionality among users?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Do you have procedures for billing and collection?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Is your billing collection rate greater than 95%?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Do you have collection procedures specifically for delinquent accounts?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

<b>Financial Planning Mechanisms - Are they Adequate?</b>	<b>Yes</b>	<b>No</b>	<b>Unknown</b>	<b>NA</b>
Does your system have audited financial statements prepared by a certified public accountant (CPA)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Does your water system income exceed operating expenses (including debt service)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Does your water utility support other enterprise funds or the general fund?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Does your system require revenues from other enterprise funds or the general fund for normal operations?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Do you employ standardized accounting and tracking systems?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Do you track budget performance?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Do you keep records to substantiate depreciation of fixed assets and accounting for reserve funds?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are financial management recordkeeping systems organized?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are controls exercised over expenditures?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are controls exercised to keep from exceeding your budget?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Are there purchasing procedures?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Did your system's governing body review this assessment before returning it to the South Dakota Department of Environment and Natural Resources?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

### 8.3.16.1 Financial Spreadsheet

Complete the financial spreadsheet on the following page using the guidance presented on the reverse side of the form.

#### **GUIDELINES:**

This cash flow projection form provides a systematic method of estimating cash receipts, disbursements and balances. The entries listed on the form will not necessarily apply to every PWS, and some entries may not be included which would be pertinent to each PWS. It is suggested, therefore, that the form be adapted to each particular PWS, with appropriate changes in the entries as may be required.

**Procedure:** Most of the entries on the form are self-explanatory; however, the following suggestions are offered to simplify the procedure:

- (1) First gather the audited financial statements, internally prepared statements or budgets and other information for the current year and the two prior years. Include the most recent audited financial statement with your self-assessment report.
- (2) Complete the columns for the prior two years using actual data from your audited financial statements, if available, or your internally prepared financial statements. Keep in mind, for purposes of this analysis, it is important to use **cash** receipts and disbursements. **Suggestion: Round amounts to the nearest dollar.**
- (3) Complete the current year's column using the most recent budget information. Include all expenditures incurred by the utility.
- (4) Complete the form using the suggestions in the partial form below for each entry. Be sure to include any expenditures resulting from planned plant improvement and estimate the impact of inflation on all expenditures.
- (5) Item #1 (Beginning Cash on Hand) plus Item #3 (Total Cash Receipts) minus Item #6 (Total Cash Paid Out) should equal Item #7 (Ending Cash Position).
- (6) Item #13 (Total Added to Reserves) plus Item #14 (Operating Cash) should equal Item #7 (Ending Cash Position).
- (7) Item #1 (Beginning Cash on Hand) should equal Item #14 (Ending Cash Position) from the prior financial period.
- (8) Items #8 & 9 are used together to determine the impact of the rate structure on the equivalent residential user. If industrial or business customers contribute a significant portion of the revenues, these amounts should be looked at separately. Consideration should be given to design a rate structure so that each

category of user pays its proportional share of the costs of operating and maintaining the PWS.

- (9) Item #10 is used to determine to what extent a PWS's net operating income is able to cover its debt service requirements.
- (10)Item #11 is used to determine to what extent a PWS's rate structure produces revenues sufficient to cover operating expenses.
- (11)Item #14 is the operating cash balance at year end. The operating cash balance at the end of any financial period should be adequate to meet the cash requirements for a minimum of one month. If there is too little cash, additional cash may have to be injected or expenditures may have to be reduced. If there is excessive cash on hand, the money should be invested or otherwise deposited into interest bearing accounts (e.g., set up reserves for replacement or capital improvements, etc.)

## Financial Spreadsheet

**Applicant:** \_\_\_\_\_  
**Completed by:** \_\_\_\_\_  
**Date:** \_\_\_\_\_

4 Year Projections	Last Year Actual	Current Year Budget Year 1 Projected	Year 2 Projected	Year 3 Projected	Year 4 Projected
<b>Enter Year:</b>					
<b>1. Beginning Cash on Hand</b>					
<b>2. Cash Receipts:</b>					
a. Unmetered Water Revenue					
b. Metered Water Revenue					
c. Other Water Revenue					
<b>d. Total Water Revenues (2a through 2c)</b>					
e. Connection Fees					
f. Interest and Dividend Income					
g. Other Income					
<b>h. Total Cash Revenues (2d through 2g)</b>					
i. Transfers in/Additional Rev Needed					
j. Loans, Grants or other Cash Please specify					
<b>3. Total Cash Receipts (2h through 2j)</b>					
<b>4. Total Cash Available (1+3)</b>					
<b>5. Operating Expenses</b>					
a. Salaries and wages					
b. Employee Pensions and Benefits					
c. Purchased Water					
d. Purchased Power					
e. Fuel for Power Production					
f. Chemicals					
g. Materials and Supplies					
h. Engineering Services					
i. Contractual Services - Other					
j. Equip. Rent/Real Property					
k. Transportation Expenses					
l. Laboratory					
m. Insurance					
n. Regulatory Commission Expenses					
o. Advertising					
p. Miscellaneous					
<b>q. Total Cash O&amp;M Expenses (5a through 5p)</b>					
r. Replacement Expenditures					
<b>s. Total OM&amp;R Expenditures (5q+5r)</b>					
t. Loan Principal/Capital Lease Payments					
u. Loan Interest Payments					
v. Transfers Out					
w. Capital Purchases (specify):					
x. Other					
<b>6. Total Cash Paid Out (5s through 5x)</b>					
<b>7. Ending Cash Position (4 - 6)</b>					

## Financial Spreadsheet

**Applicant:** \_\_\_\_\_  
**Completed by:** \_\_\_\_\_  
**Date:** \_\_\_\_\_

4 Year Projections	Last Year Actual	Current Year Budget Year 1 Projected	Year 2 Projected	Year 3 Projected	Year 4 Projected
<b>8. Number of Customer Accounts</b>					
<b>9. Avg Annual User Charge Account (2d/8)</b>					
<b>10. Coverage Ratio (2h-5s)/(5t+5u)</b>					
<b>11. Operating Ratio (2d/5s)</b>					
<b>12. Additions to Reserve Funds for the Year:</b>					
a. Debt Service Reserve					
b. Bond Retirement Reserve					
c. Capital Improvement Reserve					
d. Replacement Reserve					
e. Other					
<b>13. Total Reserves (12a through 12e)</b>					
<b>14. Year End Operating Cash (7 - 13)</b>					

<b>4 Year Projections</b>	<b>Last Year Actual</b>	<b>Current Year Budget</b>	<b>Year 2 Projected</b>	<b>Year 3 Projected</b>	<b>Year 4 Projected</b>
<b>1. Beginning Cash on Hand</b>	For the prior period and the current year budget, use the actual cash balance. For all other years, cash on hand should equal item #14 from previous period.				
<b>2. Cash Receipts:</b>					
a. Unmetered Water Revenue	All cash received/estimated for water supplied to residential, commercial, industrial and public customers where the customer charge is not based on quantity, i.e., its based on diameter of service pipe, room, foot of frontage or other type units.				
b. Metered Water Revenue	all cash received/estimated for water supplied to residential, commercial, industrial and public customers where the charge is based on quantity of water delivered.				
c. Other Water Revenue	Other cash received/estimated from sale of water, e.g., sales for irrigation, sales for resale, inter- municipal sales, advalorem taxes (OM&R portion) etc.				
<b>d. Total Water Revenues (2a through 2c)</b>	<b>Self-explanatory</b>				
e. Connection Fees	All cash received/estimated for connection of customer service during the year.				
f. Interest and Dividend Income	All cash received/estimated on interest income from securities, loans, notes, etc., whether the securities are carried as investments or included in sinking or reserve accounts.				
g. Other Income	Other revenues collected/estimated during the period (e.g., disconnection or change in service fees, Profit on materials billed to customers, servicing of customer lines, late payment fees, rents, sales of assets, advalorem taxes (infrastructure portion) etc.).				
<b>h. Total Cash Revenues (2d through 2g)</b>	<b>Self-explanatory</b>				
i. Transfers in/Additional Rev Needed	Includes transfers from other funds w/i the municipality or can be used as a "plug" figure when determining the additional cash needed to cover cash needs.				
j. Loans, Grants or other Cash Injection	Includes loans or grants from financial institutions, inter-municipal loans, state or federal sources.				
<b>3. Total Cash Receipts (2h through 2j)</b>	<b>Self-explanatory</b>				
<b>4. Total Cash Available (1+3)</b>	<b>Self-explanatory</b>				
<b>5. Operating Expenses</b>	Use actual amounts paid when completing the prior year. Estimate the amounts for projected years based on prior year amounts, trends and other known variables (including those related to needs identified in the self-assessment.				
a. Salaries and wages	Cash expenditures made/estimated for salaries, bonuses and other consideration for work related to the O&M of the facility, including administration, and compensation for officers, directors, etc.				
b. Employee Pensions and Benefits	Paid vacations, paid sick leave, health insurance, unemployment insurance, pension plan, etc.				
c. Purchased Water	Amounts paid/estimated for cost of water purchased for resale.				
d. Purchased Power	Amounts paid/estimated for all electrical power for the utility.				
e. Fuel for Power Production	Amounts paid/estimated for fuel purchased for the production of power to operate pumps, etc.				
f. Chemicals	Amounts paid/estimated for chemicals used in the treatment and distribution.				
g. Materials and Supplies	Amounts paid/estimated for materials and supplies used for O&M of the PWS other than those under contractual services.				
h. Contractual Services – Engineering	Amounts paid/estimated to outside engineers to perform ongoing engineering work for the facility.				
i. Contractual Services - Other	Amounts paid/estimated for costs of outside accounting, legal, managerial, and other services.				
j. Rental of Equipment/Real Property	Amounts paid/estimated for costs associated w/the rental of equipment, buildings and real property.				
k. Transportation Expenses	Amounts paid/estimated for automobile, truck, equipment, and other vehicle use and maintenance.				
l. Laboratory	Self-explanatory				
m. Insurance	Amounts paid/estimated for vehicle, liability, workers' compensation and other insurance.				
n. Regulatory Commission Expenses	Amounts paid/estimated for rate cases and other activities with a regulatory commission				
o. Advertising	Amounts paid/estimated for informational, instructional and other advertising.				
p. Miscellaneous	Amounts paid/estimated for all expenses not included elsewhere (e.g. permit fees, training, etc.).				
<b>q. Total Cash O&amp;M Expenses (5a through 5p)</b>	<b>Total of lines 5a through 5p.</b>				
r. Replacement Expenditures	Amounts paid/estimated for replacement of equipment to maintain system integrity.				
<b>s. Total OM&amp;R Expenditures (5q+r)</b>					
t. Loan Principal/Capital Lease Payments	Include cash payments made/estimated for principal on all loans, including vehicle and equipment purchases on time payments and capital lease payments.				
u. Loan Interest Payments	Self-explanatory				

v. Transfers Out	Include cash transfers made/estimated to funds or entities outside the PWS.
w. Capital Purchases (specify):	Amount of cash outlays/estimates for items such as equipment, building, vehicle purchases, and leasehold improvements that were not a part of the initial design of the PWS infrastructure.
<b>6. Total Cash Paid Out (5s through 5x)</b>	Self-explanatory
<b>7. Ending Cash Position (4 – 6)</b>	Self-explanatory
<b>8. Number of Customer Accounts</b>	Use most recent system data or expected increases.
<b>9. Ave User Charge per Customer (2d/8)</b>	Self-explanatory
<b>10. Coverage Ratio (2h-5s)/(5t+5u)</b>	Measure of the sufficiency of net operating profit to cover the debt service requirements of the system. A bond covenant might require this to meet or exceed certain limits (e.g. 1.25)
<b>11. Operating Ratio (2d/5s)</b>	Measure of whether operating revenues are sufficient to cover OM&R expenses. An operating ratio of 1.0 is the bare minimum for a self-supporting facility. With debt service requirements, the operating ratio would have to be higher.
<b>12. Additions to Reserve Funds for the Year:</b>	Do not include depreciation as a reserve unless there is actually a "depreciation" reserve that has cash set-aside for future expansion. <b>Include only amounts that are added to the reserve funds for the year (i.e., do not include accrued interest on CDs).</b>
a. Debt Service Reserve	Funds specifically set-aside to meet debt service requirements or requirements set forth in a loan Covenant/bond indenture.
b. Bond Retirement Reserve	Funds specifically set aside to retire debt as it is scheduled.
c. Capital Improvement Reserve	Funds specifically set aside to meet long-term objectives for major facility expansion, improvement and/or the construction of a new facility.
d. Replacement Reserve	Funds specifically set aside for the future replacement of equipment needed to maintain the integrity of the facility over its useful life.
e. Other	Other cash set-aside for reserve.
<b>13. Total Added to Reserves (12a through 12e)</b>	<b>Total of lines 12a through 12e.</b>
<b>14. Year End Operating Cash (7-13)</b>	<b>All non-reserved cash.</b>

### **8.3.17 Capacity Requirements for New Drinking Water System**

**Certificate of Approval:** Obtaining a certificate of approval for a new drinking water system is required by law. More importantly, a certificate of approval shows that the drinking water system has gone through the planning process. Planning is critical for all new, as well as existing, water systems. A system that lacks technical, managerial, or financial capacity will have problems complying with all of the requirements of the 1996 Safe Drinking Water Act amendments. Since new water systems are required to complete the planning process, this will help ensure that these systems have adequate capacity and that the public will be provided with safe drinking water.

#### **Who needs a certificate of approval?**

All new community and nontransient noncommunity water systems that begin operation after October 1, 1999, are required to obtain a certificate of approval from the Department of Environment and Natural Resources (DENR) before beginning operation.

This includes water systems that do not meet the definition of community or nontransient noncommunity water system (NTNC) at start-up, but are designed to one day meet that definition. For example, a developer plats out 30 lots for homes in the development, but when the water system begins operation, there are only four homes connected to the system. Obviously, the intent is for this water system to one day be large enough to qualify as a public water system; therefore, the developer must meet all the new water system requirements.

Any system that has infrastructure in place before October 1, 1999, and then becomes a new community or NTNC water system only by the addition of new users is not required to obtain a certificate of approval.

#### **What is the process for obtaining a certificate of approval?**

DENR recommends that you apply as soon as possible to receive approval of the required documents in a timely manner. Approval may be delayed if more information is needed by the department during the review process. The following are minimum guidelines for certificate approval.

- Submit the New Water System Application and business plan no later than *90 days* before you anticipate beginning operation.
- Submit plans and specifications no later than *30 days* before the anticipated bid-letting and contract award date.
- Submit the operations and maintenance manual as soon as practicable before system start-up

**Where do I get more information on obtaining a certificate of approval?**

A website has been developed for new water systems. Guidance and applications can be downloaded at: <http://denr.sd.gov/des/dw/newsys.aspx>

For more information please contact the Drinking Water Program at (605) 773- 3754.

