2023 ISSUE 2

RCAP
RURAL MATTERS
The magazine of the Rural Community Assistance Partnership

the importance of Drinking Water maintenance

THE RISKS OF NITRATES, GENERATING WATER SYSTEM REVENUE, HELPING A WATER SYSTEM OVERCOME CRISIS, *and* MORE

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ceo letter

We are living through exciting times for the water industry, as the federal government has committed to historic levels of funding to improve the quality of water coming from the tap. Only 0.5% of the Earth's water is drinkable, and EPA is putting $50 billion toward clean drinking water, which will greatly help small water systems and watsewater across the nation. RCAP is already actively engaged in clean water and drinking water technical assistance and expects to take on more of this work through our federal partners soon. As someone who spent their childhood hauling buckets of fresh water from a well to their home in the deserts of Mexico, I am very invested in seeing rural and Tribal communities make the most of this unprecedented opportunity.

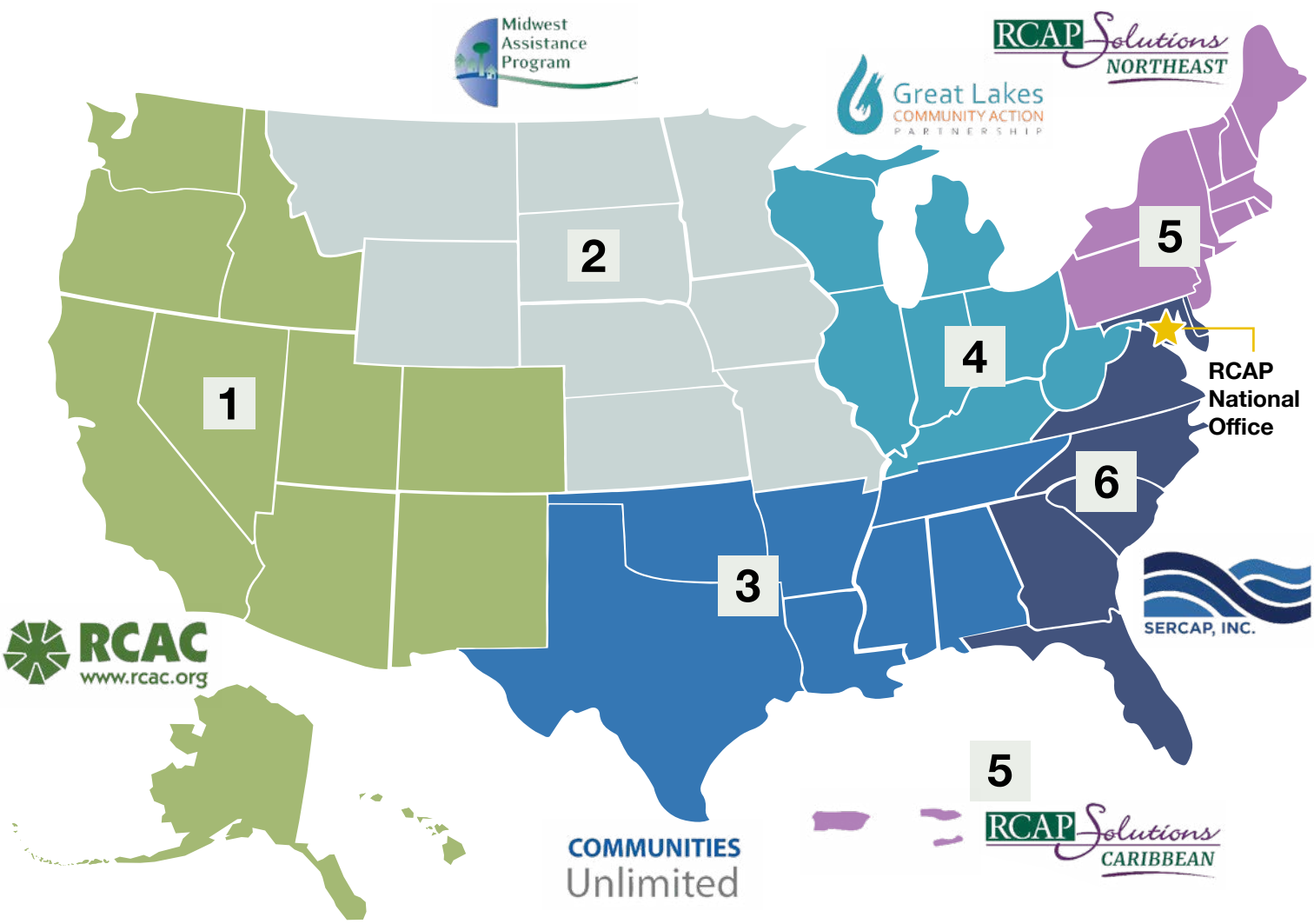
As you will read in this issue, these systems are often caught between needing extensive, costly maintenance and wanting to keep rates low. Not to mention the cost of compliance should lawyers have to get involved in disputes with governing agencies. RCAP's presence on the ground in all 50 states and the territories has not only provided much-needed technical assistance, but our strong reputation has also enabled state and federal agencies to have confidence that violations will be addressed.

At our core, we believe that communities can be the solution to their own problems and should be empowered to do so. One area that RCAP staff, and I personally, feel strongly about is regionalization. While it is not a cure-all, it can help under-resourced communities pool what they do have to address issues such as water supply, removing nitrates and other chemical contaminants, connecting septic systems to public wastewater, and ensuring that the environment is not harmed.

RCAP is also working to address the lack of redundancy in many rural communities, which greatly affects water systems and other utilities. As I stated recently in my comments at the Milken Institute's Global Conference, this lack of manpower leads to many duties falling on few people, and they are often the administrative staff. I am excited for our pending certification program for water and wastewater administrative staff and clerks to launch in partnership with EPA, investing in the numerous people who, though they may toil in obscurity, literally keep the lights on and water flowing.

If RCAP can be of any assistance to you or your community on drinking water issues, do not hesitate to reach out. Rural America is Essential America, and nothing is more essential to our collective quality of life than clean water.

Olga Morales-Pate
Chief Executive Officer, RCAP



Rural Community Assistance Partnership

The Rural Community Assistance Partnership (RCAP) is a national network of nonprofit partners with over 350 technical assistance providers across the country. RCAP works to improve the quality of life in rural America starting at the tap.

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3. Southern RCAP
Communities Unlimited (CU)
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4. Great Lakes RCAP
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6. Southeastern RCAP
Southeast Rural Community Assistance Project (SERCAP)
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WHAT Matters

CONTENTS

ALINE PONCE FROM PIXABAY

"There is no power for change greater than a community discovering what it cares about."

Margaret J. Wheatley

Talk to Us!

Visit us on the web and tell us what's on your mind.

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RURAL ROUND-UP

Recent wins and happenings

RCAP Fly-In Success The RCAP Advocacy Team is excited to report great success at this year's Fly-In! About 100 RCAPers from across all six regions joined us to complete more than 200 Hill meetings with Congressional members and staffers to discuss our policy agenda. Informative key players in the rural water space spoke at engaging plenaries to kick-start most days. Speakers included Senior Advisor and Infrastructure Coordinator to the President of the United States Mitch Landrieu; USDA Under Secretary of Rural Development Xochitl Torres-Small; EPA Assistant Administrator, Office of Water Radhika Fox; and many more. Senators Sherrod Brown and John Boozman won the network's esteemed Congressional Champions Award. Plenaries and meetings covered broad topics including Community Economic Development (CED), the 2023 Farm Bill, the Bipartisan Infrastructure Law, and much more. After two years of virtual Fly-Ins, everyone was excited about the in-person advocacy and fellowship that resulted from our time together in D.C.

Agua4All Events This year, RCAP had three launch events for Agua4All in Texas, Michigan, Pennsylvania, and California. This was in partnership with Communities Unlimited (CU), Great Lakes Community Action Partnership (GLCAP), Rural Community Assistance Corporation (RCAC), RCAP Solutions (RSOL), the Chris Long Foundation's Waterboys initiative, and Liquid I.V.! Thank you to everyone who helped move these programs forward and those who attended the program launches.

Advocacy News

We've been working on raising rural voices through Federal PFAS regulatory comments. Congress has resolved the debt ceiling situation, which has allowed them to move onto the Farm Bill. Congress should be drafting text to release by September

RuralRISE

RuralRISE has officially been postponed to 2024. RuralRISE will still be hosted in Waterville and Skowhegan, Maine. Once we have more details for next year's Summit, we will make an announcement and we hope to see everyone back for RuralRISE 2024. Thank you to all our registrants and speakers who had already committed to this year!

Scan for more information

FARM BILL

RECENT WINS
and Happenings

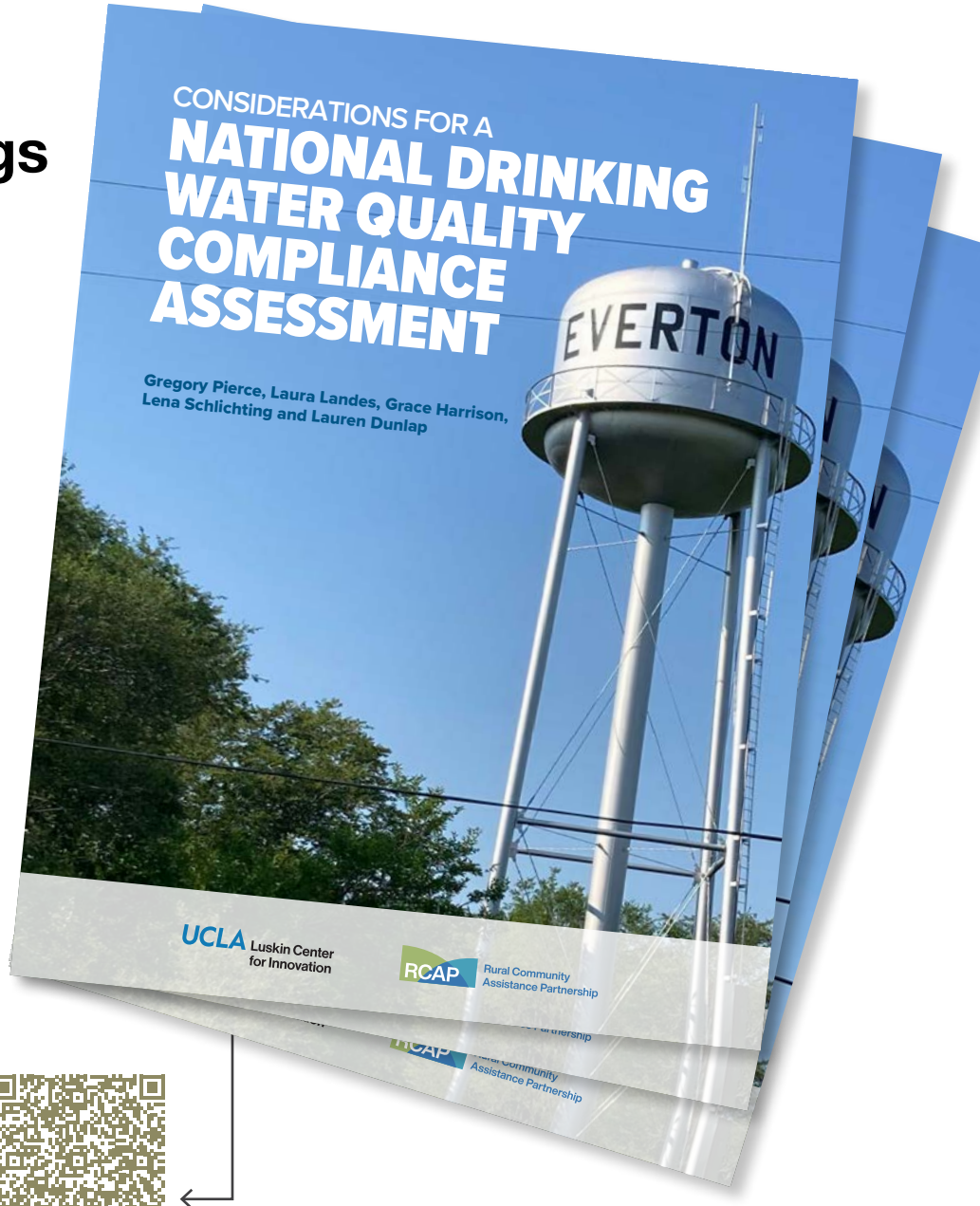
RCAP Awarded $14.5m to Provide Technical Assistance

Earlier this year, RCAP was awarded $14.5m to provide training and technical assistance for water systems. This funding will improve public health and environmental protection by helping to ensure that drinking water in these communities is safe.

RCAP Collaborates with the UCLA Luskin Center for Innovation

On April 27, the UCLA Luskin Center for Innovation and Rural Community Assistance Partnership Incorporated released a comprehensive roadmap for what the first national assessment of drinking water quality compliance can and should look like in the next decade. The new report outlines how to identify the specific problems systems face, the solutions, and which communities should receive priority investments. The four phases of a full compliance assessment are detailed in the report as follows:

- Develop a transparent, accessible, and consistent set of national drinking water quality data to help agencies identify which water systems are regularly out of compliance;
- Evaluate feasible solutions and select the best options;
- Estimate the up-front and ongoing costs; and
- Improve access to no-cost technical assistance to help disadvantaged communities receive funding.



Training Calendar

RCAP hosts free webinars on topics ranging from capacity building to wastewater treatment. **Sign up for an upcoming webinar here!**

We also have webinars in business and financial planning and much more that are designed to support small business entrepreneurs across the country in our Open For Business Hub, powered by the Wells Fargo Open for Business Fund. **Learn more and sign up for an upcoming webinar or take a self paced training!**

Are Nitrates a Risk Factor in Your Groundwater?

If so, regionalization or treatment may be the solution—and technical assistance providers can help.

Shelly Underwood, Technical Assistance Provider, Midwest Assistance Program (MAP)

Have you ever considered the risk factors associated with the consumption of drinking water? If I had to guess, I would say most people would answer that question with a "No." Despite the fact that most drinking water seems aesthetically pleasing, with no taste or odor issues, many public water supplies and private well owners across the country are battling a multitude of contaminants that pose serious health risks when consumed by humans.

Drinking water sources within the United States range from surface water supplies such as rivers, lakes, and reservoirs to groundwater aquifers that vary in size and density, containing large collections of water. According to the United States Bureau of Reclamation, water covers approximately 71% of the Earth's surface. Of that 71%, only 0.5% of the Earth's water is available as fresh water. The fresh water supply is continually collected, purified, and re-distributed through the natural hydrologic cycle. It is through this process that contaminants enter our drinking water supplies and begin to pose a health risk to humans.

The Environmental Protection Agency (EPA) began regulating chemical contaminants found in drinking water sources in 1987. These regulations were promulgated in phases over a period of 5 years and were collectively called the Phase II/V Rule or the Chemical Contaminant Rule. The rules regulated more than 65 contaminants, establishing three contaminant groups: Inorganic Contaminants including arsenic and nitrate, Volatile Organic Contaminants, and Synthetic Organic Contaminants. The EPA continued to conduct ongoing research developing Maximum Contaminant Levels (MCLs) for each contaminant, monitoring requirements for public water supplies, and attempting to establish the best available technologies for the removal of all 65 contaminants.

As a technical assistance provider (TAP) in Kansas, the office I work in often receives referrals from the Kansas Department of Health and Environment (KDHE) requesting technical assistance on behalf of a utility once a chemical contaminant level exceeds the chemical's MCL. We work with the public water supply to identify solutions for lowering chemical contaminant levels and to provide on-site operator or operations as needed.

Prevailing Chemical Contaminants

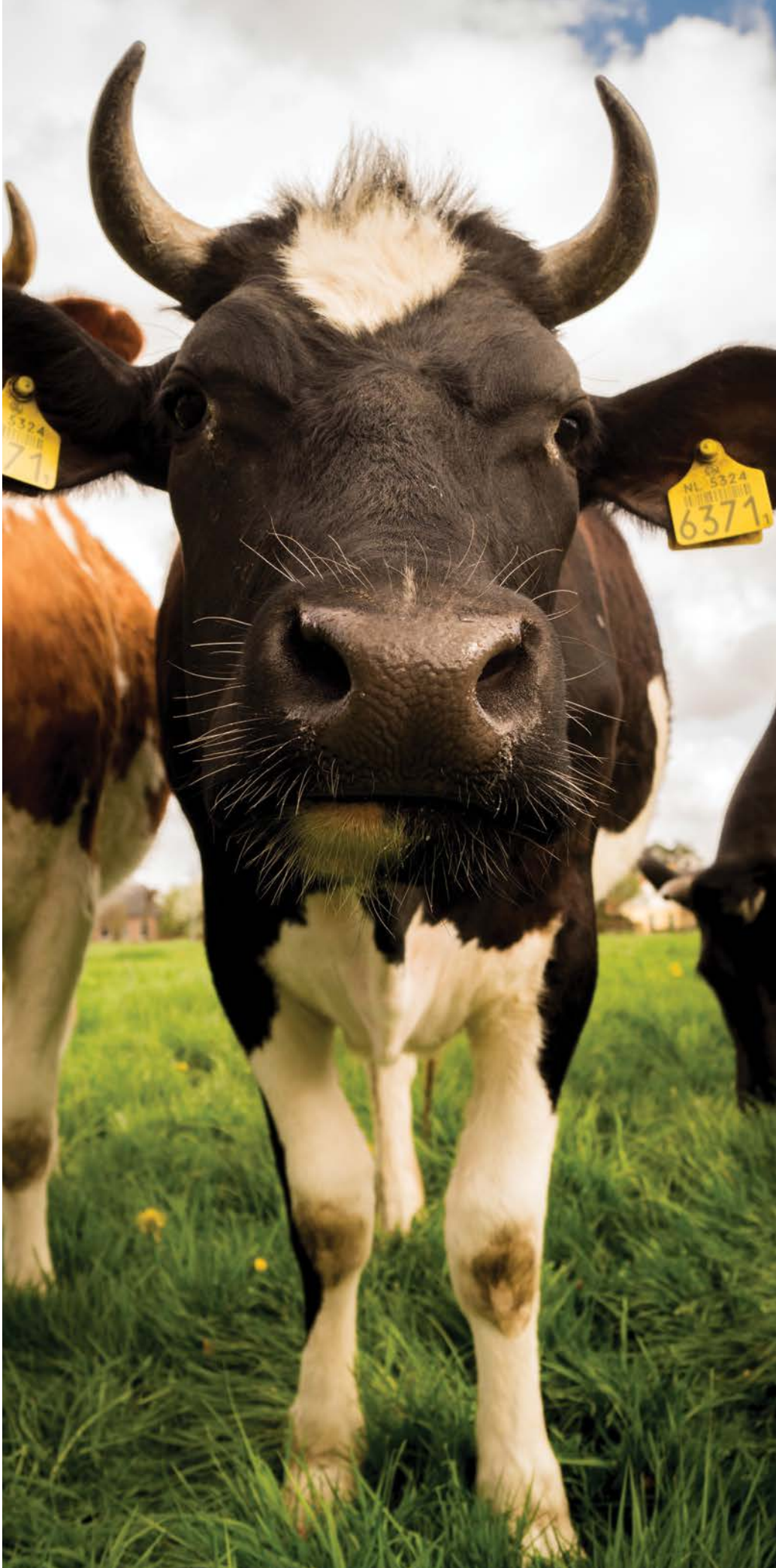
At this time, one of the most common chemical contaminants found over its established MCL in Kansas groundwater supplies is nitrate. Nitrate is the only acute inorganic contaminant regulated under the Chemical Contaminant Rule. When consumed by a person, nitrates reduce the ability of red blood cells to carry oxygen throughout the body. Nitrate exposure is most harmful to infants, resulting in a serious health condition known as methemoglobinemia, or "blue baby syndrome" due to lack of oxygen.

How Do Nitrates Get Into Groundwater?

Nitrate is a chemical found in most fertilizers, manure, and liquid waste discharged from septic tanks. Natural bacteria in soil converts nitrogen into nitrate; then rain or irrigation waters carry the nitrate through the soil into our groundwater supplies or washes the nitrate directly down a water well if the well wasn't properly constructed and adequately capped. The United States Department of Agriculture's (USDA) National Agricultural Statistics Service (NASS) indicated in its 2021 State Agriculture Overview Report that the State of Kansas currently operates 58,600 farms spread out over 45,700,000 acres of land. This equates to 87.5% of all Kansas land being utilized as farmland. Kansas Secretary of Agriculture Mike Beam stated, "Agriculture is a critical part of Kansas's past, and it is a key economic driver in our present," in the 2022 issue of *Kansas Agriculture* magazine. Later, he went on to say, "Kansas is a leader in wheat, grain sorghum, and beef production. The dairy sector is rapidly expanding in Kansas, and other sectors of animal agriculture are growing as well." Given the previously mentioned statistics, it is clear to the Kansas water sector that nitrate exposure will be an ongoing obstacle for public water systems (PWSs) in the years to come.

Groundwater Protection

Groundwater protection is not something we think about daily; however, our everyday actions can have a substantial impact on the quality of our groundwater. Wellhead protection and good land use management practices can help to reduce nitrates from entering our groundwater



RUDY AND PETER SKITTERIANS FROM PIXABAY

sources, ultimately lowering nitrate levels in groundwater over time. First, let's talk about wellhead construction and the placement of your groundwater well. Ensuring your wellhead is properly capped, vented, and screened will prevent insects and other critters from entering your well and will protect it from surface water runoff. The wellhead should be at least 12 inches above grade if located in an area prone to flooding.

Location matters! Proper distancing between a water well and sources of potential contamination will reduce contaminants entering your groundwater supply. For example, a properly constructed well should include the following requirements for well location:

- at least 20 feet away from any animal kennels or above-ground fuel storage tanks;
- 35 feet away from surface waters such as lakes, streams, and ponds;
- 50 feet away from septic tanks, below-ground fuel storage tanks, or animal feed lots containing fewer than 300 animals; and
- 150 feet away from any agricultural chemical tank storage locations.

Being aware of your surroundings and the immediate land use management practices around your well will assist in ensuring that groundwater remains a safe drinking water supply for both public water supplies and private well owners for years to come.

Is It Too Late?

If your well or groundwater source has already been compromised by a chemical contaminant such as nitrate, your public water supply is likely exploring viable solutions to reduce nitrate levels in your groundwater or exploring regionalization alternatives available in your area. Once nitrate levels rise above the MCL of 10 mg/L, a public water supply has no choice but to take action. Many public water supplies in Kansas are currently faced with this dilemma.

AMRITANSHU SIKDAR ON UNSPLASH

Is regionalization the best solution for your utility? There are several pros and cons to be considered before a public water supply should choose which alternative is best for its specific utility needs. Most groundwater-based utilities can provide water to their users at more affordable rates because overhead and production costs are very low. If a public water supply determines regionalization is the best solution to protect public health from harmful exposure to nitrates, users of the utility are likely to see an increase in their monthly user rate, and the utility operator may feel as though they have lost control of their water utility operations. It is important to keep in mind when making difficult decisions such as regionalization that protecting public health is the most important aspect of the industry and that we, as industry professionals, should put public health ahead of everything else.

There are treatment alternatives for reducing nitrate levels in groundwater. Some rural communities are located too many miles from a regional water supply district to even consider regionalization as a viable solution in reducing nitrate exposure to their users. In this scenario, a public water supply has no choice but to consider the new construction of a nitrate removal water treatment plant. There are two treatment processes used in reducing nitrate levels in groundwater. While working with an engineer, your public water supply will compare treatment methods utilizing Reverse Osmosis and Ion Exchange treatment techniques. Once a treatment process has been selected, your utility will be faced with the most difficult decision yet. How are you going to pay for the construction of a new treatment plant?

Funding Solutions

In the Fall of 2021, the Biden/Harris Administration awarded the EPA $50 billion to strengthen the nation's drinking water and wastewater systems. The EPA announced, "The Bipartisan Infrastructure Law's investment in the water sector is transformational. This is the single largest investment in water that the federal government has ever made." Now is the time to act! If your public water supply is struggling with increasing levels of chemical contaminants, please reach out to us.

The Rural Community Assistance Partnership Incorporated (RCAP) is a nonprofit network reaching small rural communities in all 50 states. The Midwest Assistance Program, Inc., the Midwest RCAP, has been helping rural utilities and Tribal nations in Iowa, Kansas, Minnesota, Missouri, Montana, Nebraska, North Dakota, South Dakota, and Wyoming to build financial, managerial, and operational capacity since 1979. Through MAP's individualized support, rural communities, Tribal nations, water and wastewater districts, lake associations, and other small utilities have found solutions to sustainable infrastructure, safely and efficiently, while revitalizing communities. We look forward to assisting your public water supply with your infrastructure upgrade needs. To learn more, visit *map-inc.org* and *rcap.org*.

Administrative Professionals: Vital to the Success of the Water and Wastewater Sector

A new training and certification program will formally recognize their skills.

Glenn Barnes, Director, Water Finance Assistance and **Lisa Fought,** Senior Manager of Training & Technical Services, Rural Community Assistance Partnership Incorporated (RCAP)

STARTUPSTOCKPHOTOS FROM PIXABAY

When we think about water and wastewater workers, our minds often go first to the operators and technical staff who produce and deliver safe drinking water to our homes and businesses and then collect and treat wastewater to make it safe for the environment again. Water and wastewater systems are indeed marvels of engineering that require highly skilled operators—but they are also business-like entities that require another set of workers to succeed, typically toiling quietly in the background: administrative professionals.

Administrative professionals are often the most overlooked, yet essential position at a water utility, but unfortunately, they are often overworked, underpaid, and under-trained, especially in small communities. Large utilities that serve tens of thousands of customers often employ multiple administrative professionals under a range of job titles including utility clerk, billing clerk, and administrative assistant, who work alongside boards and managers to help manage the systems. In small communities, especially communities that serve under 3,300 people, there is often a single administrative professional who takes on most of the day-to-day financial, managerial, and occasionally operational work of the system, and that employee may be only part-time. The work of these administrative professionals directly impacts the utility's ability to comply with the Safe Drinking Water Act (SDWA) and to ensure the financial sustainability of the system. RCAP believes that one of the most effective ways to enhance utility capacity development is to invest in leadership and management training for water administrative professionals.

Administrative professionals provide a bevy of vital services to water and wastewater utilities, including:

- Managing water and wastewater service finances,
- Managing water and wastewater service functions,
- Complying with regulatory agencies,
- Supporting and educating governing body members,
- Communicating with stakeholders, and
- Facilitating capital improvement projects.

Their day-to-day responsibilities include a diverse set of tasks, such as developing budgets, tracking finances, generating utility bills, managing payroll, maintaining records, paying bills, developing policies and procedures, managing human resources, administering customer service, purchasing needed supplies, overseeing project schedules, submitting required reports, responding to non-compliance notices, supporting governing body meetings, performing customer outreach, and staying up-to-date on funding opportunities. The good work of utilities would grind to a halt without these dedicated employees.

Despite their importance, water and wastewater administrative professionals have few professional development opportunities tailored specifically for their needs—opportunities that exist for other key positions, like operators. Administrative professionals in the water and wastewater sector also don't have the opportunity to earn a credential such as a certificate that is specific to the field. A professional credential provides external validation of the skills and knowledge an employee has acquired in a particular field. Employers may be more likely to trust an employee's abilities if that employee has earned a recognized credential. Earning a certificate can also allow water and wastewater administrative professionals to develop new skills, gain knowledge, and expand their professional networks.

Recognizing this gap, RCAP is developing an innovative program to develop the managerial and leadership skills of the administrative professionals who work for water and wastewater utilities. These employees serve an important and often overlooked role in improving the quality of life in rural communities across the country.

RCAP's long-term goal is to address these two shortcomings by creating and offering the country's first certificate program in management and leadership for water and wastewater administrative professionals. With generous funding from EPA's new Innovative Water Infrastructure Workforce Development Program, RCAP began that process this year by creating a "job-task analysis" that identifies and documents the specific tasks, knowledge, skills, and abilities required to perform a particular job or occupation effectively. In November 2022, RCAP gathered a team of subject matter experts from its national office and its regional partners as well as from two external partners to develop the job-task analysis. All of the subject matter experts have provided training and technical assistance to water and wastewater administrative professionals, and many worked as water and wastewater administrative professionals earlier in their careers. The subject matter expert group consisted of Lisa Fought from RCAP's National Office, Laurie Stevens from RCAP Solutions, Amanda Giorgio from Southeast Rural Community Assistance Project, Lisa Totten from Great Lakes Community Action Partnership, Sherry Schmidt from Midwest Assistance Program, Julie Hudgins from Communities Unlimited, and Dessa Wells from Rural Community Assistance Corporation as well as external partners Rachel Suman from the International Association of Administrative Professionals and Glenn Barnes from Water Finance Assistance.

A duo of psychometricians led the subject matter expert team through the development of the job-task analysis. A psychometrician is a professional who specializes in designing, developing, and evaluating tests and assessments that measure skills. The subject matter experts generated a list of 35 tasks that water and wastewater administrative professionals conduct daily to support and sustain their utilities as well as dozens of skills and abilities necessary to carry out those tasks.

RCAP then sent a survey of that list of duties, skills, and abilities to water and wastewater administrative professionals for feedback on its accuracy and received 500 responses from virtually every state and territory. Survey respondents indicated that almost all of the duties identified were both frequent and important, and most required moderate to extensive knowledge to complete. The job-task analysis was finalized with very few changes from its

initial draft form.

This job-task analysis will serve as the basis for the next two steps in program creation: developing a training curriculum for water and wastewater administrative professionals and creating the certificate exam itself. Administrative professionals would attend the training course and then sit for the certificate exam at its conclusion.

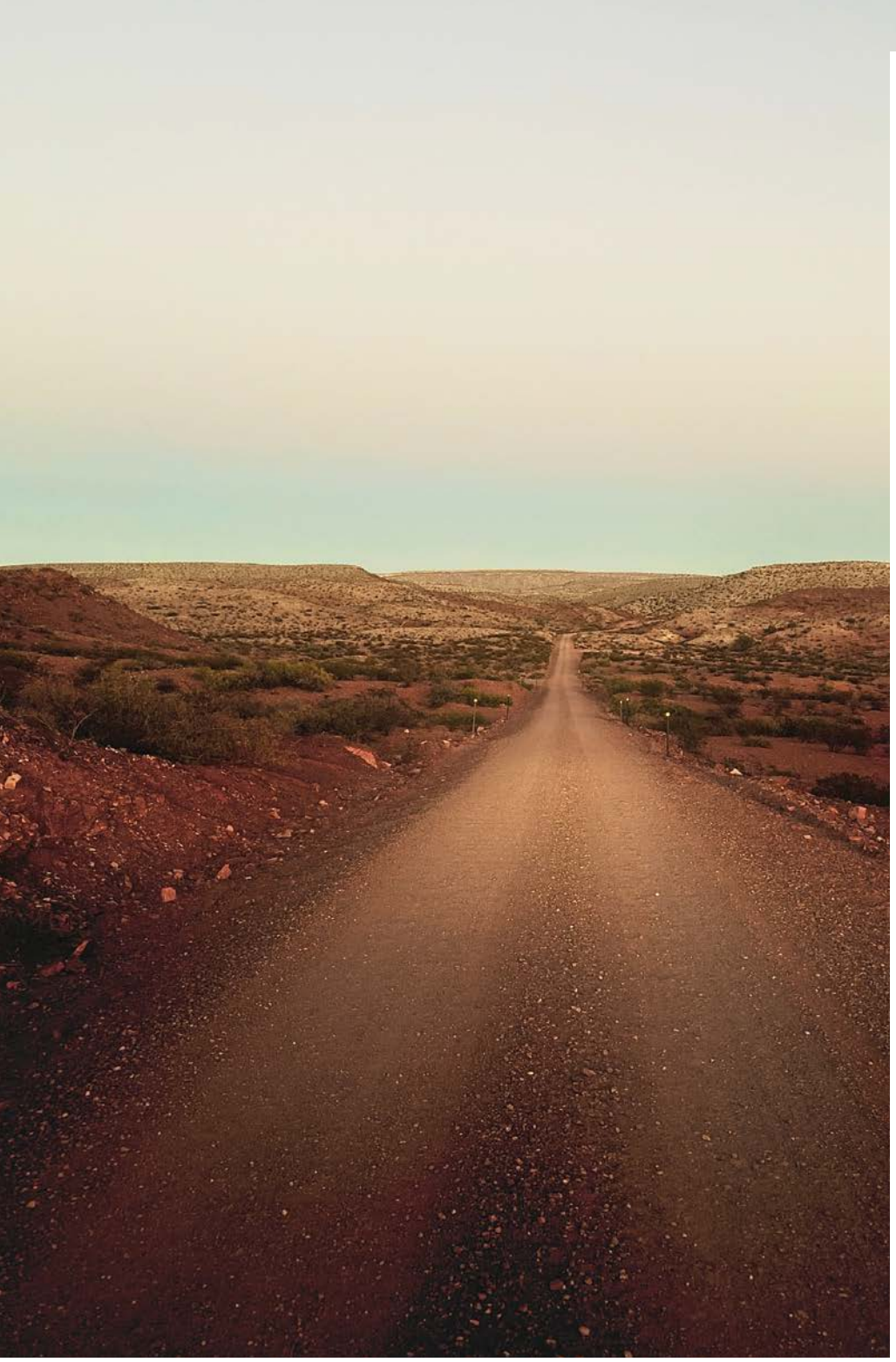
Across the country, many administrative professionals have already become successful utility managers and leaders. Take Cheryl, for example, the town clerk for a small community of 550 people. Cheryl has worked for the town for more than 13 years. Though she only works part-time, she is the town's sole paid employee and is responsible for the management of both general town affairs and the utility in a community where 64% of residents are low-to-moderate income. She works out of a small office in the former elementary school, which shut down several years ago because the number of students in town had become unsustainably low. In her tenure with the town, the utility has moved away from reactive maintenance to a more proactive replacement of assets. The town recently put up a new water tower and replaced a 6" water main using State Revolving Fund funding. After nearly 10 years without a rate increase, Cheryl helped develop an ordinance approved by the board that raises rates by 3% every year automatically on the first day of the fiscal year. She is responsible for all the financial reporting requirements to the state, manually reads all the town's 200 meters each month, and became a certified operator to help with distribution issues because the town's contract operator is not on-site every day. When the town's only well stopped working a few years ago, Cheryl arranged to have water hauled in from a neighboring community until the well could be repaired. The water system of this town would not function without Cheryl's leadership.

It may seem like Cheryl is a superhero. The truth is, in small communities across the country, people like Cheryl are the norm, not the exception. The survey of administrative professionals revealed that more than a third of utilities serving 500 or fewer people are staffed by a single administrative professional.

There are far more administrative professionals wearing many hats who work for small communities across the country than we likely realize, doing whatever they can to keep their utilities and their communities functioning. RCAP's field staff work with these dedicated employees every day.

The goal of RCAP's new program is to create more administrative professional leaders, like Cheryl and countless others across the country, who can help their water and wastewater utilities thrive. Investing in leadership and management training for administrative professionals is one of the most under-utilized and effective ways to enhance compliance and long-term utility sustainability.

MELINDA257 FROM PIXABAY; STOCKSNAP FROM PIXABAY



Helping a New Mexico Community Water System Overcome Crisis

Hope is the key.

Elliott Bochstein, Staff Writer, Rural Community Assistance Corporation (RCAC)

It was a bone-dry September day in southern New Mexico when Salem Sager heard the news: His small community water system, Desertaire Water Company, had again failed to meet federal and state water quality standards.

He shook his head and wondered, "What is expected of us?"

"Yes," he thought to himself, "the contamination levels are above the values accepted by regulatory agencies. No, there isn't an Emergency Response Plan in place. Sure, there might be a small leak and a growing pool, green with algae—but who do these officials think they're dealing with here?"

The situation was frustrating, Sager said, looking back. "It's just cumbersome, alright?"

Since the 1970s, Desertaire has struggled to provide this small slice of rural southern New Mexico with clean, usable water from two wells that support 22 active water meters. The 16-acre subdivision near Elephant Butte on the Rio Grande River, about 60 miles from Las Cruces, has around 30 homes. Most residents are retired or live on fixed incomes.

Originally from Palestine, Sager moved to the U.S. in 1972 and received his master's degree in agriculture at Sam Houston State University in Texas. After managing country clubs across the Southwest for a prominent real estate developer for some years, he settled down with his family in Elephant Butte in 1985 and bought a ranch and truck stop. In 2011, he acquired Desertaire after a friend who owned the tiny utility passed away and he sensed an opportunity to invest in perhaps the region's scarcest natural resource.

"I know water is very valuable, and it's like gold," Sager explained. "The water company had 5.7 acres in water rights, and I bought it for that, not for the money it makes."

Sager is proud that, since he acquired Desertaire, the subdivision's residents have never been without water—a remarkable achievement given that the Southwest is undergoing its driest period in 1,200 years.

"My system has never been interrupted, not for a single day," he continued. "We have two wells so, when one goes down, no problem—we start the other one. It's a very dependable water system!"

However, this ostensible operational reliability provided only cold comfort when the state Drinking Water Bureau's (DWB) sanitary survey found 10 significant deficiencies requiring immediate action.

ALEC FAVALE ON UNSPLASH

Desertaire's one-man owner/operator began to feel like he had reached his limit after a decade in the business, with little to show in profits or outcomes besides an agonizing cluster of regulatory headaches.

"It's the physical aspect, and then financially," he said with a pause. "It's been a challenge."

Sager argues authorities shouldn't expect a tiny water system like Desertaire to conform to their one-size-fits-all regulations. If he had the resources to keep the system in compliance, he would have done so long ago. He estimates that bringing fluoride levels alone to an acceptable range would cost at least $300,000. It would take 50 to 60 years to recoup such costs, he suggested, and a rate increase wouldn't even scratch the surface.

"You have to file paperwork with the New Mexico Public Regulation Commission, go to a hearing, bring the lawyer—and, by the time we make money, the lawyers take what we make," he said. "Why would I want to raise the rates if it's gonna be like that?"

Technical Assistance to the Rescue

Sager had largely given up on meeting water quality standards. However, in December 2021, state regulators at the DWB reached out to Ramon Lucero, Santa Fe Regional Manager at the Rural Community Assistance Corporation (RCAC), to see if he could help Desertaire correct the deficiencies. Shortly thereafter, Lucero assigned the project to Joseph Valdez, a technical assistance provider (TAP) with RCAC. Valdez spent his early career as a regional manager and environmental scientist with the New Mexico Environment Department. In 2019, he started working for RCAC's environmental team as a Rural Development Specialist (RDS), providing technical assistance and training to small rural water and wastewater utilities. For Valdez, Desertaire's challenges were nothing out of the ordinary.

"In my line of work, it's common to find a community water utility with 10, 12, even 15 significant deficiencies," said Valdez. "A little water system like Desertaire with fewer than 25 connections still has to meet the same requirements that a system serving 25,000 would have to meet."

Valdez knew that hope and patience would prove essential to finding a solution.

JONATHAN SALEH ON UNSPLASH

"The only thing we can do is work on these problems one at a time and let the owner know we'll get there at some point," he said. "It may not be done in a month or even a year, but we'll get there."

Valdez took stock of the deficiencies in Desertaire's sanitary survey before strategizing with the small utility to resolve the issues. Sager's new RCAC partners quickly impressed him with their can-do demeanor and persistence.

"Joseph was cooperative, knowledgeable, easy to work with, and congenial," Sager said, carefully choosing his words. "When something needs to be done, he'll get at it until we get that violation out of the picture. He doesn't give up easily."

The pair also examined options to enhance the utility's sustainability. They contacted a large regional utility to see if it would be interested in buying Desertaire, but the prospect of purchasing a small system with so many big, potentially costly deficiencies hardly thrilled the utility. Absent that option, the two worked to correct solvable issues such as damaged equipment or the lack of system maps and developing an Operations & Management Plan and an Emergency Response Plan.

"The important part is that we formulated the Corrective Action Plan, submitted it to the state, and had a meeting with state stakeholders to come up with a timeline to address the remaining deficiencies," Valdez said. "We're continually working on them."

New Mexico's environmental regulators noticed Desertaire was working hard with RCAC to correct the deficiencies, so they became more flexible with their timeline.

"All the state needed was to see that we're making progress, so we checked in regularly to give them updates on where we are," Valdez said. "There hasn't been an administrative order issued yet, but it may come later for fluoride due to the lack of resources."

Community + Expertise for the Win

Although Valdez doesn't know how Desertaire will overcome other challenges, such as finding additional water sources or connecting to another utility's infrastructure, he believes a long-term solution will emerge in due time.

As for Sager, he's delighted that he doesn't have to deal directly with the state, at least for the time being. "I basically quit talking to those state inspector guys. They got business with me, then they talk to Joseph—he's the middleman," Sager said. "He says we need to do this and that, he gets all the paperwork ready for me and we'll file it. He's been a lot of help."

Sager is particularly grateful for the invaluable service RCAC provides. "New Mexico is a very rural state—once you get out of Albuquerque, we have so many companies, RV parks, and other places with their own water systems or private wells," he said. "If they know about RCAC, my goodness, that will really be great."

Valdez, however, emphasizes that a team effort drove Desertaire's success.

"I think we bring a little light to every situation where we help folks," Valdez admitted. "I've heard it from other communities: 'Before working with you, we had no hope, no clue where to turn, no one who could help us.' The truth is, the community itself is nine-tenths of the equation. They deserve the credit because it boosts their confidence that they can fix it at some point in the future, even on their own. But if we at RCAC can offer communities a little more hope, it's all been worth it."

Lake Developments and the Need for Regionalization

Thinking bigger may be the right solution in rural southeastern Oklahoma.

Gaylene Riley, Oklahoma State Coordinator, Communities Unlimited (CU)

Surrounding most lakes across the country, you will find small housing developments with their own water and/or wastewater systems. Many of these were constructed by developers who have long since turned over the ownership and maintenance of the systems to the homeowners. As time goes by, the needs of the systems start to outgrow the ability of the homeowners to pay, and these groups do not know where to turn.

In Pittsburg County, Oklahoma, there is a community of landowners residing in what was originally intended to be an RV park. These landowners purchased lots from a developer who promised water service and required the purchasers to install septic systems. However, these lots are too small and too close together for the septic systems to work properly. Also, the water lines that were brought into the development were not properly designed or installed. The developer purchased a master meter from a nearby water district to serve the office and bathhouse and then ran the lines from there throughout the development with no engineering design work or primacy agency review. The developer then collected a monthly water bill from each landowner and, for a while, paid a monthly bill to the water district—at least until he sold the development to another out-of-state developer. The new owner stopped paying for water, and the water district shut off the master meter. The water district noted a large water loss spike soon after and, in their investigation of what they thought might be a leak in the area, discovered that lines had been tapped to provide water to the cluster of homes, bypassing the master meter. The water district shut off the water service, and the residents of the development found out that the money they had paid for water was not paid forward to the water supplier.

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The water district, at that time, informed the homeowners that it could not provide water directly to the homes without primacy agency–approved documentation of acceptable septic tanks. This left the homeowners without the ability to have water piped into their homes, and they resorted to hauling water for all their needs. The homeowners formed a rural water and sewer district and applied for funding for a water distribution system from the U.S. Department of Agriculture, Rural Development (USDA-RD). Grant funding was available for the water project, which would have left the new water system with a small loan to repay. However, the water district that would supply the new system with potable water could not do so until a sewer collection and treatment system was constructed. This is where the wheels fell off the bus, as the new water and sewer district could not secure sufficient grant funding to cover the cost of the construction of the collection system and the purchase of adequate land for a sewer lagoon. Without a major influx of grant funding, the costs were not affordable to the current residents to repay the loan. In an effort to help these landowners, the rural water district installed a coin-operated water metering station where the residents could purchase water on-site, but they still must haul the water to their homes.

These homeowners have exhausted their savings on the purchase of their lots and the cost of the mobile homes in which they live and can afford neither to move nor to pay the high monthly bill for the completion of a water and sewer project to serve the community. Most of these homeowners are elderly; all full-time residents are low-income. Other developments in the area have larger lots, which are occupied by more affluent landowners who can afford to meet the conditions of the primacy agency for the septic systems required to be members of the rural water district.

At one point, the rural water district proposed a project to provide sewer service to all the developments within its jurisdiction. Still, homeowners with acceptable septic systems were not willing to become part of the project and take on monthly sewer bills. This left too few homeowners scattered across a large area to make such a project feasible.

Meanwhile, Nearby …

In a neighboring county, a small group of homeowners formed a homeowner's association (HOA) many years ago and installed a community sewer system. In the early 1990s, the primacy agency required additional lagoons to be constructed to provide adequate treatment of wastewater. As a non-profit corporation, the group was eligible for funding through USDA-RD. The system now consists of an overflow lagoon that was converted from the original small lagoon, a small lift station, and two larger lagoons. The system operated at first on a volunteer basis, with homeowner association officials giving their time to take samples, keep everything mowed, and maintain records for the system. The volunteer idea worked well for several years—until everyone grew tired of these responsibilities. At that time, homeowners agreed to pay a monthly flat rate that has increased over time to pay someone to come in and provide maintenance to the facility.

As the original residents grew older and started leaving the area, the mobile homes in which they lived started to need maintenance and repairs and were sold to be used as rental properties. Those that were not sold for this purpose or that remained unoccupied by a full-time resident have fallen into disrepair. This has reduced the number of homeowners to help cover the costs of the system. Most of the residents are of retirement age living on fixed incomes or are very low-income families.

Pumps for the lift station had been repaired until there was no other option than to replace them, yet the system has little funds with which to cover this cost. Within the past few years, the pumps were disconnected, so the only wastewater storage they now have is the original lagoon that was deemed too small years ago. The lagoon has not been maintained, and sludge buildup has greatly diminished the capacity of the pond. Without the pumps, no wastewater is being sent to the larger lagoons. When the smaller lagoon cannot handle the wastewater, especially during events of rainfall, sinks and tubs at many of the homes are very slow to drain. The leadership of the HOA has paid for septage, waste removal from septic tanks, pumping, and treatment at a nearby town with a wastewater treatment plant. The septage pumping is done at a point where the transport line has been tapped and left open for this purpose.

Making Connections Toward a Solution

Finally, a funder for some system improvements mentioned that the HOA should use the assistance of Communities Unlimited (CU) technical assistance providers (TAPs) to review next steps and offer advice for how to help the community be whole again.

When the TAPs made a site visit, they used the opportunity to notify the HOA that some of their current practices were in violation of Oklahoma Department of Environmental Quality (ODEQ) regulations and to discuss the possibility of regionalization through the sharing of an operator. The HOA may consider working with another system in the area to transfer ownership if that can be accomplished. The HOA representative indicated that they have attempted to get an operator from another system to work part-time for them but have had difficulty obtaining a contract for this.

The TAPs helped the system complete a Request for Qualifications to be used in selecting an engineer. They later made a site visit with the project engineer to discuss the various points of violation that need to be addressed, and the engineer will provide an estimate for preparing an engineering study and report that can be used to seek financing for improvements. The TAPs will assist the HOA with registering with System for Award Management, SAM.gov, and making an application for an engineering grant through USDA-RD. And they will work with rural water systems in the area and nearby towns to obtain contact information for other small lakeside sewer systems to see if regionalization is an option and can be achieved.

Regardless of which path the system may choose, regionalization would help these residents have a supply of potable water and a sanitation system that would protect the environment. Since these are lakeside communities, the water quality of the lake will be impacted in the future if nothing is done. Many surrounding towns and rural water systems with water treatment facilities pull raw water from the lake, so the impact goes far beyond these two groups of homes and those who would use the lake for recreational purposes. Without technical assistance to help guide the communities to improve operations and to facilitate meetings to discuss regionalization, these systems will continue with inadequate water service and be potential polluters of the area's water supply source.

Generating Water System Revenue and Locating Funding for the Town of Lynchburg, South Carolina

Southeast Rural Community Assistance Project (SERCAP) helps this proud community find its way to compliance.

David White, Technical Assistance Provider, SERCAP

Lynchburg was first chartered as a community by the South Carolina Legislature in 1859 and was subsequently incorporated as a town in 1905. Its history is closely tied to the history of State Highway 341, which was a dirt road as late as 1934. Originally known as the "Mecklenburg Road," it was the primary north–south route running from Charleston to Charlotte, North Carolina, by way of Georgetown, Kingstree, Lynchburg, Bishopville, and Cheraw. Lynchburg grew up around the crossroads of the old "Mecklenburg Road" and the flourishing east–west rail line established in 1854 running from Sumter to Florence. The community's history is also associated with the Lynches River, and it is widely known that much activity took place along the river during the Revolutionary War. Lynchburg also has a rich history associated with African American heritage, especially during the 20th century. Though little documentation is currently available describing this history, when asked what Lynchburg was like 50 years ago, elderly residents recall that it was a thriving town with commercial businesses, merchant stores, a grocery store, a drug store, a doctor's office, and restaurants owned by both the Black and White communities. People traveled miles to visit, shop, and eat in Lynchburg. In the community there was a theater, nightclubs, a baseball team, and several small transportation businesses that took people to Sumter, Columbia, and Myrtle Beach for work and recreation.

Today, Lynchburg is a diverse community of 73.6% African American, 17.2% Caucasian, and 8.5% Hispanic residents who lack many of the basic needs for survival, such as access to food, health care, and jobs. The average commute time to work or shop for people living in Lynchburg is 35 to 40 minutes by car. As a

result, the community suffers from a high degree of poverty.

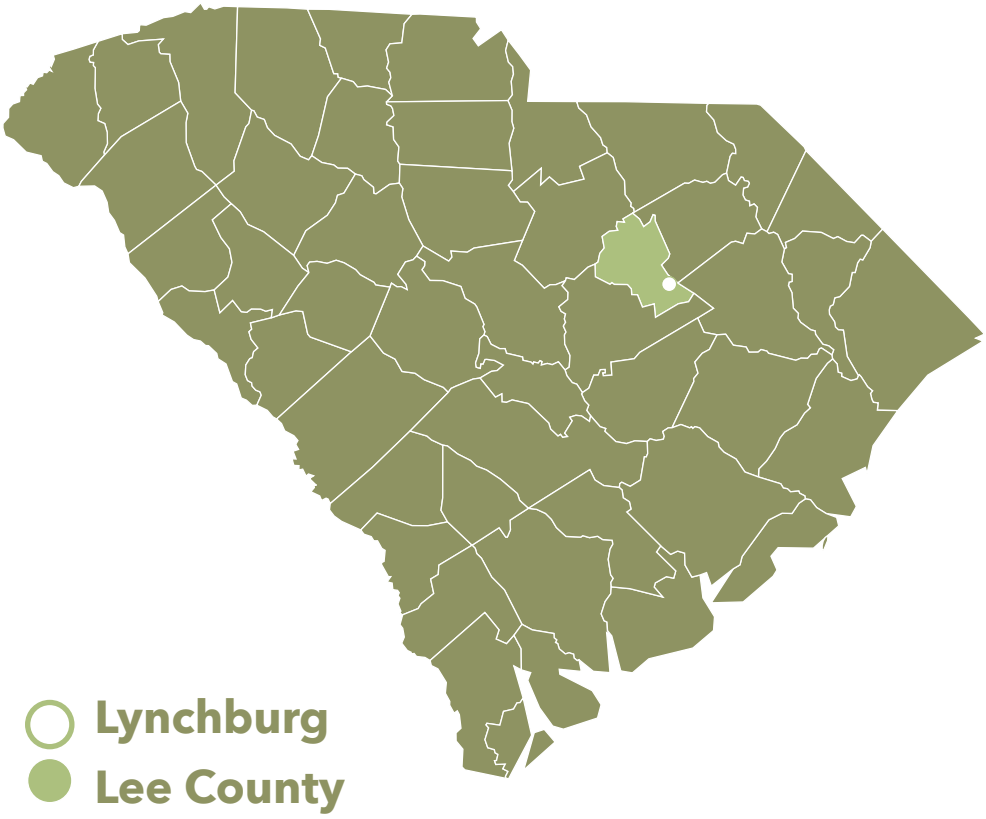
On November 10, 2020, the Southeast Rural Community Assistance Project (SERCAP) was invited to the Town of Lynchburg to conduct a training session on utility management. What SERCAP did not know was how this simple training session would evolve into providing full-time assistance for the town. This small rural town was in deep water with the South Carolina Department of Health and Environmental Control (SCDHEC) and had no idea that being a public water and sewer system was a full-time job, and it needed assistance to become compliant with the State Drinking Water Act. SERCAP jumped into action, as time was of the essence.

Righting the Meter Situation

The first order of business was to develop a Standard Operating Procedures manual (SOP). The manual turned out to be 196 pages long and addressed everything the town was responsible for when operating a public water system.

At the same time, SERCAP completed an American Water Works Association (AWWA) water audit, and the discovery results were profound. The lost revenue from water loss was greatly impacting the sustainability of the town and needed to be addressed quickly. SERCAP found that almost 38% of the town's water meters were broken, lost, or needed to be repaired or replaced. The town had purchased 20 or so new meters a few years before that had just been sitting in a warehouse, as town staff did not know how to install them and the town could not afford to have a contractor do the work.

Technical Assistance Provider David White personally installed the meters and provided training to the limited staff for future meter installation. He then surveyed the system to locate dozens of meters that were not being read or recorded. This all took place while addressing and communicating with SCDHEC on a consent order that was instituted. SERCAP installed 15 new meters and repaired 22 existing meters over several weeks. It also located meters that were reported unreadable or broken and removed vegetation overgrowth from several meters so that they could be read. This has provided increased revenue for the town and improved its long-term sustainability.



Identifying Funding

Multiple meetings were held with the Town of Lynchburg to discuss resolutions to Consent Order 20-023-W. The first phase of the order has been addressed and resolved. The second phase of the order is going to take substantial rehabilitations to the water system and its assets. An application for a Rural Infrastructure Authority (RIA) Grant has been submitted, and the submittal has been delivered for the State Revolving Fund (SRF) application to fund the corrections outlined in the consent order. The deadline on some of the consent order deliverables was looming, and the town did not have funds available to address the mandatory items listed in it. SERCAP drafted a letter for the town requesting a nine-month extension on the execution of the deliverables until grant approval, as they were waiting for the grants to be approved. SCDHEC approved the extension, and SERCAP is continuing to seek out and apply for other funding opportunities to assist this wonderful rural town in becoming sustainable and compliant with state and federal regulations.

After many weeks of research, SERCAP reached out to the Santee-Lynches Regional Council of Governments (COG). The COG accepted the challenge and could fund 95% of this project. SERCAP started work with the COG in early November 2021, with conferences and documentation needed to get this project underway in April 2022. The additional 5%, approximately $80,000, will be covered from the town's American Rescue Plan funds. SERCAP will not be responsible for reporting to the Council of Governments (COG), part of the Council of Governments Grant by-laws. However, SERCAP can manage the project as a third party. The town will have to take some initiative and be closely involved in this venture. Until recently, the town was solely dependent on SERCAP, but some involvement will continue without disturbing the COG's funding process.

SERCAP's assistance with the water meter issues has helped to increase the town's revenue without the need for a rate increase. Further assistance in identifying the COG as a funding source and assisting the town with some of the information needed has proven to be very beneficial in addressing the community's needs.

All of these efforts have grown out of a community needs assessment and rural development plan. It is evident that Lynchburg is eager to find assistance wherever it may be able to get it. Lynchburg is confident that the help provided by SERCAP and the COG will assist in moving the town forward in its effort to serve the community.

Michelle Coad (downhill) with Mount Desert Water District personnel mapping Seal Harbor

Mapping Maine's Infrastructure

RCAP Solutions forms a "hot group" in Maine.

Kathy Rodgers, former State Lead Maine, RCAP Solutions

The RCAP Solutions mapping team partnered with Mount Desert Water District to map the island's water infrastructure. The Mount Desert Island Mapping Project was a practical field exercise that led to a successful collaborative project and formed a "hot group" between the Mount Desert Water District and Maine RCAP Solutions' team of technical assistance professionals. Hot groups were defined by Harold J. Leavitt and Jean Lipman-Blumen in the July–August 1995 issue of the *Harvard Business Review*:

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> **“A hot group is just what the name implies: a lively, high-achieving, dedicated group, usually small, whose members are turned on to an exciting and challenging task. Hot groups, while they last, completely captivate their members, occupying their hearts and minds to the exclusion of almost everything else. They do great things fast. At one time or another, every successful executive has seen or been part of a group that was really hot. Whether it was called a team, a committee, or even a task force, its characteristics were the same: vital, absorbing, full of debate, laughter, and very hard work. Although hot groups are almost never consciously planned, they can turn up in just about any setting: social, organizational, academic, or political. When the conditions are right, hot groups happen, inspired by the dedication of their members to solve an impossible problem or beat an unbeatable foe. When hot groups are allowed to grow unfettered by the usual organizational constraints, their inventiveness and energy can benefit organizations enormously.”**

In late 2020, Maine staff from RCAP Solutions debuted a new training, “GIS Data Collection Methods and Mapping—Practical Field Work Integrated with Online Training.” It was a wonderful smash-up of field work and virtual work involving GIS data collection and digital map design. Soon after the training concluded, one of the attendees, Mike Olson of Mount Desert Water District (MDWD), reached out to RCAP solutions surprised that, in spite of his “general lack of technological enthusiasm,” he was compelled by the simplicity of the ArcGIS Collector app and digital mapping. Mike told Paul Slack, general manager of MDWD, and Natasha Johnson, office manager of MDWD, that he left the training comfortable with the technology. The rest was history. Mike sparked the interest of this tight-knit crew to learn more about RCAP Solutions’ GIS Mapping Program and about a long-term investment in digitally mapping their water district. Ultimately, MDWD decided to move forward with RCAP Solutions to help launch their digital mapping initiative.

After months of goal-setting and planning, RCAP Solutions’ newly formed GIS team launched its summer of mapping on Mount Desert Island, Maine. The project consisted of mapping the two water systems managed by MDWD, which primarily provide public water service to the villages of Northeast Harbor, Seal Harbor, and sections of Acadia National Park. Over a two-week period, RCAP worked with MDWD, collecting data to develop a robust digital map of the distribution system. The project team focused its efforts on collecting the locations and imagery of:

- Water main lines
- Service lines
- Curb stop valves
- Gate valves
- Hydrants and hydrant valves

It was a busy time of year, with everyone wanting to enjoy the island after many of the COVID-19 restrictions were lifted.

There was also a lot of ground to cover, so two teams were formed to make the best use of time and resources. One team traced the water lines and located valves, while the other team focused on collecting the locations of assets within the distribution system. This allowed each member of MDWD's five-man crew to spend time with RCAP Solutions' GIS Manager, Seth Loht, in the field utilizing the ArcGIS Collector app and the GPS receiver for enhanced accuracy. The MDWD crew quickly learned how to collect data points and eagerly embraced using the newly acquired technology. RCAP Solutions, in turn, was shown by the MDWD staff how to operate their waterline tracing equipment, a rare treat indeed.

During rainy days, MDWD spent some quality time in the office with RCAP Solutions, learning how to manipulate data to best serve the district's needs. Seth was also able to guide the district through equipment purchase options and connect them to the right service representatives. Natasha, the newly designated GIS Coordinator for MDWD, followed up with Maine RCAP to receive an additional two days of in-depth ArcPro and ArcOnline classes to refresh her skills.

For safety reasons, MDWD planned to finish Main Street and the other busy traffic areas later in the fall after summer travel dies down. Then the district will work on collecting the rest of the curb stops as time and opportunity allow.

One of the identified goals of the mapping project is to help MDWD better direct plumbers to find curb stops for their many seasonal water users.

This USDA funded GIS project included several goals:

RCAP Solutions' GIS Specialist, Seth Loht (right), training MDWD crew on the job on GIS techniques and guiding field collection activities. Northeast Harbor on Mount Desert Island, Maine.

- To create a GIS-based distribution map.
  - The distribution map should include the villages of Northeast Harbor and Seal Harbor.
- The GIS software would need to be easy and practical for staff training and use in the field.
- Distribution maps should include mains, service lines, curb stops, valves, hydrants, and other infrastructure layers—i.e., wastewater, use of satellite imagery/building footprints, parcel data including ownership information, pop-ups, tie cards/property maps, and pictures.

Following the identification of the goals, the team determined which type of software is most suitable for MDWD for long-term use. This included ArcMap, ArcGIS Pro, ArcGIS Online and ArcGIS Collector. Finally, the type of hardware most suitable for MDWD for long-term use was considered, such as desktop, laptop, iPhone, iPad, Bad Elf GPS, or the EOS Arrow 100 GPS receiver.

RCAP Solutions will continue to assist MDWD to achieve its digital mapping objectives throughout the year with remote technical assistance and additional training. As time, experience, and opportunity arise, MDWD will find more ways to utilize mapping to improve operational efficiencies.

The dedication of the MDWD crew and the RCAP Solutions team's focus on quality and thoroughness of the mapping project was inspiring. The RCAP Solutions staff provided exceptional service to Mount Desert Water District. Mike Olson reached out and served as the catalyst for the project. The entire MDWD team made it a pleasure to work on the beautiful Mount Desert Island. The sharing of great stories, local insights, and hospitality warmed the RCAP Solutions team during a chilly July on the lovely island. The United States Department of Agriculture–Rural Development (USDA-RD) funded the team's efforts to help discover and support the infrastructure needs of Maine's drinking water, clean water, and stormwater systems and help protect the environment and watersheds.

Helping Water Utilities Respond to Regulatory Rate Reviews

Great Lakes Community Action Partnership smooths the process for a number of Kentucky water districts.

David Foster, Technical Assistance Provider, Great Lakes Community Action Partnership (GLCAP)

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In November of 2019, the Kentucky Public Service Commission (PSC) issued a report titled "Confronting the Problems Plaguing Kentucky's Water Utilities." It examined the findings of investigations into 13 water utilities' operations with the highest percentage of water loss among all the utilities under the Commission's jurisdiction in the state. Some of the utilities investigated had water loss in excess of 45%, while the two highest in the state had nearly 70% water loss. Under Kentucky regulation 807 KAR 5:066, Section 6(3), utilities are not allowed to include expenses related to water service for water loss that exceeds 15%, such as for purchased water or electric for pumping. As highlighted in the Commission's report, customers of water utilities with high water loss pay for large quantities of treated water that never reaches homes or businesses. The Commission's report highlighted some common characteristics of these systems:

- **Inadequate oversight and management** Examples included untrained board members and water utility managers. Utilities that are regulated by the PSC in Kentucky are required to send commissioners to train for 12 hours of instruction regarding laws governing the management and operation of water districts.
- **Poor financial and accounting practices** The report stated that, too often, water utilities in Kentucky utilized engineering firms to prepare capital projects that used federal funds. As a result of the federal funding, the commission asserted that the utilities' ability to provide proper oversight necessary to ensure that the project proposals addressed priority needs was limited.
- **Detrimental extraneous influences** The report stated that, many times, board members and managers were misguided by local political and community pressure to keep rates at levels that are unsustainable over time. Other examples included reluctance to consider mergers, consolidation, or sale as available options to ensure that the utility would be able to offer long-term viability for its customers.

As a result of the investigation, the Commission made many recommendations to address the issues that contributed to high water loss among many small water utilities in Kentucky. One of the recommendations was that water utilities undergo periodic rate and operational assessments. Specifically, the Commission stated that "Every water district and association in Kentucky should be subjected to a rate and operations review every three years to ensure that revenue is adequate to properly operate the system over the long term." Additionally, the Commission recommended that water utilities be required to implement rate increases determined by Commission staff. In previous years, the Commission had allowed utilities to implement rates that were less than the determined revenue requirement. However, as a result of the investigation, the Commission ceased allowing this practice to continue.

To compel utilities to prepare and submit rate cases to the Commission for review, the Commission began ordering utilities to prepare and file rate cases when they were before the Commission in matters unrelated to rate cases. This practice began in 2020 when matters such as tariff filings, Purchased Water Adjustments (PWAs), and complaint cases were before the commission. This is where Great Lakes Community Action Partnership (GLCAP) in Kentucky has been able to step in and assist water utilities in complying with Commission rate review orders.

Responding to Regulating Authorities

For most of the water systems that had been ordered to file a rate case, the challenge was the wording and clarity of orders issued by the Commission, which was often unclear to the utility staff and board members. Many systems misinterpreted the wording of the order they received as a recommendation, not an order, from the Commission to prepare and file a rate case. In most, if not all, of the early instances where utilities were ordered to file rate cases, they were given a year from the date of the order to have their rate cases filed. Fast forward a year later, and many of the utilities that had been ordered to file rate cases had misinterpreted the orders and not filed rate cases. It was not until the PSC contacted the utilities inquiring about the status of their rate case filings that the utilities realized they were being ordered to complete rate reviews. This is the point where utilities began contacting the Rural Community Assistance Partnership Incorporated (RCAP) for assistance in addressing the Commission's orders. Prior to contacting RCAP, communications between the utilities and the Commission regarding the status of their rate cases had indicated that the utilities could face sanctions and/or fines to the utilities themselves—and possibly even to board members personally. To say that time was of the essence would be an understatement.

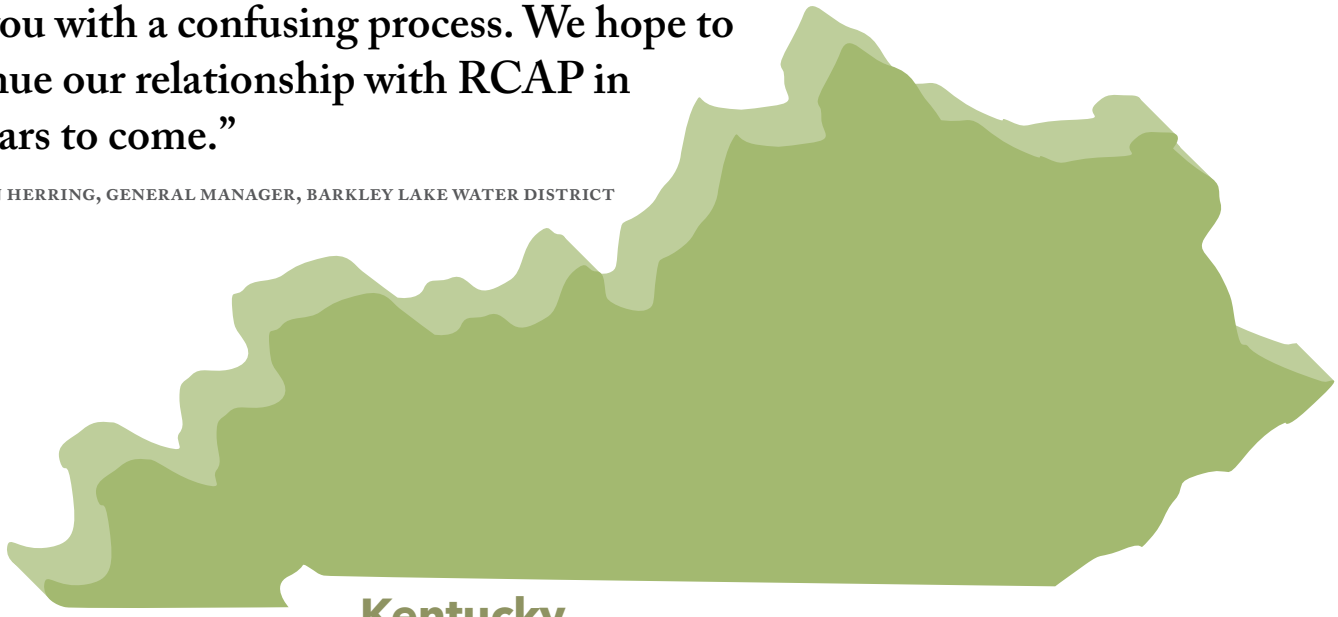
Finding Solutions

When the utilities approached RCAP requesting assistance with their rate reviews, they had already requested extensions of time from the Commission. However, in several cases, the Commission denied the utilities' requests for extensions and instructed the utilities to file applications for traditional adjustments in rates or Alternative Rate Filings (ARF) as soon as possible, warning that the failure to do so may result in the Commission assessing sanctions against the water districts. Though an ARF was intended to simplify the filing process, it can still be daunting and intimidating for a small rural water system.

In beginning to work with each utility, RCAP communicated to the Commission that it was in the process of preparing the rate study for filing. This communication was important, as it assured the Commission that, despite missing the initial filing deadline, the utility was working diligently with RCAP to prepare the rate study. In every instance where RCAP has assisted water systems in responding to and preparing a rate study that had been ordered, no further action has been taken by the Commission for failure to meet the original filing deadline. An open line of communication was established to keep the Commission up-to-date on rate study progress, which has resulted in no further action being taken by the Commission against the utility prior to the rate study being filed.

Next, RCAP helped the utility compile

> **“The Rural Community Assistance Partnership (RCAP) has been instrumental in helping our District to apply for and receive a rate increase in 2022. It was very nice to have competent and knowledgeable personnel to help you with a confusing process. We hope to continue our relationship with RCAP in the years to come.”**
>
> — JOHN HERRING, GENERAL MANAGER, BARKLEY LAKE WATER DISTRICT



Kentucky

the necessary documentation for performing a rate study. In many instances, the current staff at many small water utilities in Kentucky have never performed a rate study themselves and are not even sure where to begin. Many times the current staff were not employed at the utility the last time a rate study was performed, so they have never even been through the process before. RCAP begins the process by providing a list of items needed to perform the rate study based on the requirements of Kentucky's PSC. Some of the commonly required documents include:

- General ledgers
- Aged schedule of accounts receivable
- Schedule of accounts payable
- Schedule of notes and bonds payable
- All debt agreements/ bond ordinances and amortization schedules
- Monthly billing registers
- Insurance policies
- Vendor statements
- Payroll- and tax-related information
- List of employee names, job titles, job descriptions, and pay rates for each current employee
- All benefits paid to or on behalf of each employee
- Adjusted trial balance
- Audit adjustments
- Audit workpapers for long-term debt, accounts receivable, allowance for doubtful accounts, and bad debt expense
- Schedule of utility plant in service/depreciation schedule

RCAP has helped the staff members understand what each item is and where to locate it in their financial records or billing software, often requiring a site visit with the utility.

Once all the documentation has been obtained, RCAP performed the rate study on behalf of the utility. Upon completion of the rate study, RCAP attended the utility's board meeting to inform the board and staff on the results of the study. Included in that discussion were not only the results, but also what steps are required in filing the case with the Commission, what to expect as the Commission processes the rate case, and the approximate time frame they can expect for the case to be completed. RCAP answered any questions the utility's board or staff had regarding the findings or steps in the process moving forward. Upon receiving approval of the board to file the case, RCAP ensured that all required documentation for filing meets the minimum filing requirements as set out in Kentucky's statutes/regulations and filed the case with the Commission.

However, RCAP's help does not stop once the case has been filed. Prior to the pandemic, Commission staff would

make site visits to the utility to obtain additional documentation they deemed necessary to accurately process the rate case. As a response to COVID-19, they no longer make site visits and require all documentation to be filed electronically as responses to data requests they issue. RCAP assisted the utilities in compiling the responses to data request questions and with filing the responses. The time frame for rate cases to be processed by regulation in the state of Kentucky can be a lengthy and time-consuming process. At this point, all the rate cases that RCAP has assisted with are still in the process of being completed by the Commission. RCAP is continuing to assist utilities in data responses, updating tariff sheets once the rate cases have been completed, and any other issues that may arise in the cases.

The Impact

As a result of RCAP's financial and technical assistance, every water system GLCAP, the local RCAP affilitate, is assisting has been able to complete a rate study as ordered by the Kentucky Public Service Commission, file the rate case in a timely manner, and respond to multiple data requests that have been issued by the PSC. All of this has been accomplished without one of the utilities incurring any other action by the Commission. Additionally, not having to hire a firm or consultant to perform the rate case saved the utilities a substantial amount of money. Many small, rural water utilities do not have extra funds to pay for expensive rate studies. Although, in most of the cases RCAP has assisted with, the utilities did not want or desire a rate increase, the rate studies showed that, per PSC philosophy, they needed to increase their rates so they would have adequate revenue to ensure they could continue to provide safe drinking water, maintain their systems, and pay their debt obligations. Two of the systems that RCAP has assisted recently are Barkley Lake Water District and Breathitt County Water District.

RCAP will continue to assist rural water systems in Kentucky that are under orders by the Kentucky Public Service Commission to perform and file rate studies or any other issues that may arise.

> **"Breathitt County Water District is truly grateful for RCAP for taking time out of their busy schedule to complete our Rate Study and file our Rate Increase Application for the Public Service Commission. The staff at RCAP are truly exceptional. David Foster worked with our staff to collect the necessary information needed, attended our public meetings to keep us informed of the progress, and navigated between the District and the Public Service Commission. RCAP is definitely a great asset to the communities that they serve."**
>
> — ESTILL MCINTOSH, GENERAL MANAGER, BREATHITT COUNTY WATER DISTRICT

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Training for AWIA Compliance

Now FREE for Small Systems

Students will learn about the 2018 America's Water Infrastructure Act (AWIA) requirements and how utilities may apply the various AWWA standards and resources to aid compliance.

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- Emergency Planning (EL263)
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FREE for Small Systems only.

LEARN MORE: awwa.org/smallsystems

American Water Works Association

RCAP

FREE ONLINE RESOURCES FOR RURAL COMMUNITIES

What do operators & well owners have in common?

Advocates across the RCAP network and at the University of Illinois!

WaterOperator.org and PrivateWellClass.org are sister programs that serve a unique role by providing training and technical assistance exclusively via the Internet, supplementing the critical work performed on the ground by RCAP network staff.

WATEROPERATOR.ORG

All the best resources on the web for small system operators in one place.

- 11,000+ events indexed annually
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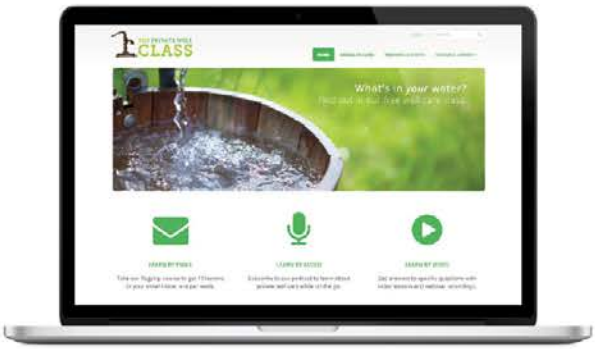
- Biweekly newsletter for operators
- Free groundwater and well care class

PRIVATEWELLCLASS.ORG

Helping homeowners learn how to care for their private drinking water well.



- Free 10-lesson email course
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WaterOperator.org and PrivateWellClass.org are collaborations between the Rural Community Assistance Partnership and the University of Illinois, through the Illinois State Water Survey at the Prairie Research Institute, and funded by the U. S. Environmental Protection Agency.

RCAP