



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

OFFICE OF
WATER

April 23, 2002

MEMORANDUM

SUBJECT: Allocation of Fiscal Year 2002 Operator Training Grants

FROM: Gary Hudiburgh, Chief
Municipal Assistance Branch (4204M)

A handwritten signature in black ink, appearing to be "GH", located to the right of the "FROM:" line.

TO: Water Management Division Directors
Regions I through X

This memorandum provides national guidance for funds used under Section 104(g)(1) of the Clean Water Act (CWA). Also, attached are the Regional allocations for this fiscal year. A total of \$1.500 million has been allocated to the Operator Training Program this fiscal year. (The amount in the President's budget submission was \$1.794 million; the program is taking a cut to allow the Office to operate consistent with the enacted appropriation.) I provided a draft of this document to you on January 15, 2002. Region 3 provided comments expressing concern with the reduction in the funds, and asked that we seek to have the funds restored. The funds have not been restored; however, we are working to supplement these funds with homeland security funds contained in the Defense Appropriations Act to train trainers for small and medium wastewater systems on security matters. Our goal is to provide training sessions this summer for the 104(g) assistance providers to be a resource for smaller to medium size utilities in need of hands-on training for vulnerability assessment and security plan implementation. Finally, we hope to supplement this current 104(g) allocation with additional funds for on-site training, which would allow the trainers to participate in an actual facility vulnerability assessment and help recommend an appropriate security plan implementation. On-site security assistance could include but is not limited to the following:

- Conduct vulnerability assessments of wastewater systems with the tool developed by the Association of Metropolitan Sewerage Agencies;
- Identify and prioritize immediate security concerns for their utility;
- Understand what is likely to constitute an appropriate security program for their situation;
- Be aware of existing tools and resources;

- Locate appropriate guidance and adapt model procedures for their situation; and
- Be aware of emerging tools and resources and understand how these might be useful to longer-term security planning and resource allocation.

I intend to distribute additional funds at the same proportion as the allocation provided in this memorandum. These funds, when available, will be distributed through a supplement to this document.

Funds will be transferred through the Integrated Financial Management System under program results code 20301B for nine Regions. As requested by one Region, we are retaining their allocation in Headquarters, and will work individually with the Region to fund individual actions. The approach we are taking in fiscal year 2002, of allocating the money by Regional Office, is the same as was used for the last few years. The dollars amounts listed in Attachment 1 reflect the reduction. The allocation is the same as that which was proposed in January.

We are well aware of the strong Regional support for the 104(g) program and share your view that these training centers provide an extremely valuable service to small and rural communities. We agree that maintaining viable programs in the face of rising costs and flat or declining funding is hard.

Headquarters and the Regional Offices have worked together on the Water Management Agreement for fiscal year 2002. The Regional Offices have committed the 104(g) training centers to work with a total of **780** facilities in fiscal year 2002 to help these facilities achieve, maintain, or improve performance. I recognize this funding cut will seriously impact performance. Collectively, the Regions and States exceeded the FY2001 goal, and are to be commended.

Our initiative to supplement Tribal wastewater concerns continues; through the 104(g) Program, the Municipal Assistance Branch is working with Northern Arizona University (NAU), located in Flagstaff, Arizona on the Tribal training center. We appreciate the help Arizona and New Mexico 104(g) grantees are providing us in this regard. This activity is being funded under the CWA 104(b)(3) statutory authority out of the STAG account.

Finally, we are working with the Frank Tejada Center and the U.S.-Mexico Foundation for Science (FUMEC) to supplement training on the U.S.-Mexico Border. This activity is being funded through EPM funds.

Attachment 1 to this memorandum is this fiscal year's Regional allocation amount. Attachment 2 serves as guidance for the 104(g) Programs' grants. Attachment 3 is the 104(g) Program's Lotus 1-2-3 reporting form for the mid-year and end-year reports. The National 104(g) database form is labeled Attachment 4.

If you have questions please do not hesitate to contact me at 202-564-0626; at this time, Curt Baranowski is on detail to the Water Protection Task Force.

Attachments

c: Regional 104(g) Coordinators

John Roanhorse, NAU

Beth Eby, Frank Tejada Center

Jorge Aguirre, FUMEC

Jonathan Binder, OECA

Alan Morrisey, OECA

Rich Kuhlman

Linda Boornazian

Sylvia Bell

Lois Canada

Attachment 1

ALLOCATION OF FISCAL YEAR 2002 OPERATOR TECHNICAL ASSISTANCE FUNDS

<u>REGION</u>	<u>\$ AMOUNT</u>
I	179,000
II	42,000
III	153,000
IV	213,000
V	238,000
VI	170,000
VII	132,000
VIII	165,000
IX	85,000
X	123,000
TOTAL:	\$1.500 million

**FY 2002 National Managing and Reporting Guidance for CWA Section 104(g)(1) Operator
Technical Assistance Grants**

PURPOSE

The primary use of Section 104 (g)(1) funds is to provide on-site technical assistance for operators and municipal employees involved in the operation, maintenance, and management of publicly-owned treatment works (POTWs), including those owned and/or operated by State agencies. States may also propose using these funds to promote energy/water use efficiency and technical assistance on sewer system maintenance to control infiltration and inflow, sanitary sewer overflows, and municipal storm water discharges. We also encourage the States to consider addressing issues of asset management and the “gap.” The “gap” is defined as the difference between the current capital spending and the capital spending required to build new collection system pipes and wastewater treatment plants, and replace the aging pipes and plants. Finally, we are all faced with providing technical assistance to small POTWs to improve the security of their infrastructure.

SELECTION OF CANDIDATES

States should use the following criteria when selecting POTW candidates for on-site technical assistance:

- Facility size -- POTWs with design capacity of 5 MGD or less should be the first to receive consideration for Program assistance over plants that discharge greater than 5 MGD;
- Source of facility construction funds -- POTWs previously awarded Federal (EPA or other agency) construction funds, except those currently in the one-year project performance certification period and discharge 5 MGD or less, should receive highest priority. Projects that are unable to certify that they meet the project standards upon completing the one year performance period are eligible for 104(g)(1) assistance. POTWs that are currently in the project performance period (one year from initiation of operation for EPA construction grants projects) are not eligible for funding; and
- Compliance status -- POTWs, which are out of compliance with their permit requirements should receive highest priority.

States should consider information from the following sources when selecting candidates:

- Compliance inspection reports;
- Self-audits;

- Quality assurance/quality control reviews; and
- Facility diagnostic reviews.

ON-SITE TECHNICAL ASSISTANCE ACTIVITIES

For the most part, the funds should be used for the performance of Operations Management Evaluation (OME) activities, which may include (a plan of action, on-site assistance and a report summary). The expected range of support activities generally include, but are not limited to the following:

- Perform POTW diagnostic and energy/water use evaluations at small POTWs to determine the cause(s) of current or potential performance or compliance problems;
- Identify POTWs with O&M problems and develop a POTW-State technical assistance plan, agreement, and schedule for achieving improvements;
- Provide facility management, financial management, pollution prevention, energy, and water use technical assistance to communities;
- Conduct follow-up visits to monitor improvements; and
- Prepare on-site performance summaries and the assistance activities and their effectiveness.

PRIMARY PURPOSE OF 104(g)(1) FUNDS

Grant funds are primarily for on-site technical assistance to address the plant's unique performance limiting conditions. Classroom training is also provided to improve the skills of wastewater treatment plant operator. To avoid conducting activities that are more related to basic wastewater training than on-site assistance, we recommend the following:

- If video tapes are funded, only videos of unique treatment practices should be funded;
- OMEs would generally include quarterly or semi-annual trips to the POTW, telephone follow-ups, interim municipal self reporting, and a final State OME performance summary;
- A full scale OME should not be redone simply because a new operator is at the plant; and
- As part of the assistance process, establish appropriate basic training and continuing education requirements that the community should support using their own resources.

GRANT COORDINATION AND COST SHARE

Whenever possible, States should provide a grant match of at least 25 percent. To encourage efficient use of 104(g)(1) funds, Regions should promote the coordination of all on-site technical assistance within a State. An effective way to assure such coordination is to address coordination and communications between multiple assistance providers in the grant work plan process. State's O&M coordinator should inform on-site assistance providers working in the State (e.g., Rural Community Assistance Program agencies, Rural Water Associations) of the facilities selected to receive on-site assistance. Regions should pursue periodic meetings that facilitate communications among all providers of wastewater and drinking water on-site assistance. It is expected that all Program coordinators will participate in the National Conference and that this requirement will be a grant condition.

REPORTING

Regional offices must provide Regional and State specific semi-annual reports on the Lotus 1-2-3 spreadsheets provided to the Program's Regional Coordinators by Headquarters (**Attachment 3**). The Municipal Support Division should receive the mid-year and end-year reports (electronically) on or before *May 30* and *November 30* of each year, respectively.

Furthermore, the National 104(g) database (**Attachment 4**) provided by Headquarters to the Regional 104(g) coordinators, shall be utilized and maintained in each Regional Office. The database is meant to be used as a tool for tracking the accomplishments of the Program. The Regional Program Coordinators shall send an electronic version of the information that is entered into each Regional database to Curt Baranowski of Headquarters on or before *May 30* of each year. Five years of Program data will be stored at Headquarters in a National 104(g) Program database.

ATTACHMENT 3

REGION - STATE			
GRANT AMOUNT			
MID/END & FISCAL YEAR			
TYPES OF ASSISTANCE			TOTAL
TRAINING COMPLETED:	NUMBER	NUMBER	
ACHIEVED COMPLIANCE	0	0	0
MAINTAINED COMPLIANCE	0	0	0
IMPROVED PERFORMANCE	0	0	0
NO IMPROVEMENT	0	0	0
TRAINING CONTINUING:			
ACHIEVED COMPLIANCE	0	0	0
MAINTAINED COMPLIANCE	0	0	0
IMPROVED PERFORMANCE	0	0	0
NO IMPROVEMENT	0	0	0
TOTAL	0	0	0
CARRY-OVERS FROM PREVIOUS FISCAL YEAR	0	0	0
NUMBER OF NEW PROJECTS FOR THIS FISCAL YEAR	0		

Wastewater Operator Training Program / 104(g) Lotus 1-2-3 Spreadsheet Reporting

Definitions of Categories / Reporting Fields for Training Completed Facilities:

Achieved Compliance: Starts with the facility out of compliance with its NPDES permit at the beginning of the compliance assistance. After the facility has completed its assistance, the facility was in compliance with its NPDES permit. In order to be rated as achieved compliance at the end of assistance, the facility needs to be in compliance with all elements of its NPDES permit for three consecutive months.

Maintained Compliance: Starts with the facility in compliance with its NPDES permit at the beginning of the compliance assistance. However, the facility is demonstrating performance problems which could lead to non-compliance with its NPDES permit. After the facility completed its assistance, the facility has halted any further deterioration in performance, improved its performance, and continued to stay in compliance with its NPDES permit. The underlying theme with compliance maintenance facilities is that there is "something wrong" with performance but it is not "wrong" enough to exceed NPDES permit levels.

Improved Performance: Starts with the facility out of compliance with its NPDES permit at the beginning of the compliance assistance. However, compliance assistance is leading the facility to better operation and maintenance. After the assistance has been completed at the facility, "total" compliance may have not been achieved on a consistent basis, but the facility is definitely operating better. The facility has reduced periods of non-compliance, reduced levels of pollutants discharged, or has had significant increases in efficiencies such as: lower energy usage, better (and often lower) chemical usage for proper operation, and adequate financial support enabling operators to better address problems in a more timely fashion. The facility may not be in "total" compliance with its NPDES permit, but it has "significantly" increased its performance. The facility has completed its compliance assistance training with the Program and may still be out of compliance, this is due to circumstances beyond the Program's control such as, the need for an upgrade to the treatment facility.

No Improvement: Starts with the facility out of compliance with its NPDES permit at the beginning of the compliance assistance training, and continues to be out of compliance with little or no improvement. The facility has opted to discontinue its participation in the Program.

Definitions of Categories / Reporting Fields for Training Continuing Facilities:

Achieved Compliance: Starts with the facility out of compliance with its NPDES permit at the beginning of the compliance assistance. Even though the facility has achieved compliance, it is continuing its assistance to ensure a permanent compliance status.

Maintained Compliance: Starts with the facility in compliance with its NPDES permit at the beginning of the compliance assistance. However, the facility is demonstrating performance problems which could lead to non-compliance with its NPDES permit. After the facility has completed its assistance, the facility has halted any further deterioration in performance, improved its performance, and has continued to stay in compliance with its NPDES permit.

Improved Performance: Starts with the facility out of compliance with its NPDES permit at the beginning of the compliance assistance. However, the assistance is leading the facility to better operation and maintenance. After the assistance has been completed at the facility, "total" compliance may have not been achieved, but the facility is definitely operating better. The facility has reduced periods of non-compliance, reduced levels of pollutants discharged, or has had significant increases in efficiencies such as; lower energy usage, better (and often lower) chemical usage for proper operation, and adequate financial support enabling operators to better address problems in a more timely fashion. The facility may not be in "total" compliance with its NPDES permit, but it has "significantly" increased its performance. The facility is continuing its compliance assistance efforts with the Program and the trainer is working on bringing the facility into "total" compliance with its NPDES permit, but has not achieved this status on a consistent basis.

No Improvement: Starts with the facility out of compliance with its NPDES permit at the beginning of the compliance assistance training, and continues to be out of compliance with little or no improvement. The facility has decided to continue to work with the Program to solve its compliance problems.

Region	Facility Name	Facility Street Address	City/Town:	State	Zip Code
Region 1	Sample Entry	1 Main St.	Anywhere	AK	00000

Start Assist. Date	Compliance Status at Start	Compliance Achieved Date (1a)	Conclusion Assistance Date (1b)	Type of Facility (2)
1/1/00	IN	1/1/01	1/1/01	AL - Aerated Lagoon

Performance Limiting Factors (in order of priority) (3)	1	A
	2	B
	3	C
	4	D
	5	E

Repeat Assist. Facility (4) *	If Repeat, Date of Last Assist	Tribal Assistance	Design Size of Plant (MGD)
No	1/1/95	No	0.1

Comments (5)	Other Benefits (6)
None	none

Permit Number 000000

CBOD/BOD AVG - Start (7)	0	Nitrogen AVG - Start (7)	0
CBOD/BOD AVG - End (8)	0	Nitrogen AVG - End (8)	0
Lbs. of CBOD/BOD AVG Reduced	0	Lbs. of Nitrogen Reduced	0

TSS AVG - Start (7) 0

TSS AVG - End (8) 0

Pounds of TSS Reduced 0

Annual AVG Flow (MGD) (9)

0

Longitude: 0

Latitude: 0

Personal 1

ATTACHMENT 4

Personal 2

Sample Entry

Personal 3

National 104(g) Database Report Form