



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

APR 13 2004

OFFICE OF
WATER

MEMORANDUM

SUBJECT: FY2005 Public Water System Supervision (PWSS) State Program Grants
– Guidance and Tentative Allotments

FROM: Elizabeth Corr, Acting Director
Drinking Water Protection Division, OGWDW

A handwritten signature in black ink, appearing to read "Elizabeth Corr".

TO: Regional Drinking Water Program Managers
Regions I - X

I have attached for your information and use both guidance and the tentative allotments for the FY2005 Public Water System Supervision (PWSS) State Grant. The tentative allotments are based on the President's budget request of \$105,100,000 for the PWSS program. Because the request is over \$12.6 million more than was available for FY2003, I want to express in writing the importance of the States' use of these funds to strengthen and enhance public health protection through ensuring safe drinking water.

Over the next few months as you work with States to develop work plans or performance partnership grant agreements for FY2005, you and the States need to ensure that the plans or agreements are directed toward achieving the public health objective presented in EPA's *Strategic Plan for 2003-2008* (<http://www.epa.gov/ocfo/plan/2003sp.pdf>), and the Office of Water's draft *National Water Program Guidance* (<http://www.epa.gov/water/waterplan/#guidance>). The National Program Guidance is being developed and issued in concert with the goal, subobjective, strategic targets, and performance activity measures in the Strategic Plan. The PWSS-related subobjective for FY2005 is:

- 93% of the population served by community water systems will receive drinking water that meets all applicable health-based drinking water standards;

The PWSS-related strategic targets are:

- 94% of the population served by community water systems will receive drinking water that meets health-base standards with which systems need to comply as of December 2001;
- 75% of the population served by community water systems will receive drinking water that meets health-based standards with a compliance date of January 2002 or later;
- 94% of community water systems will provide drinking water that meets health-based standards with which systems need to comply as of December 2001; and
- 75% of community water systems will provide drinking water that meets health-based standards with a compliance date of January 2002 or later.

In support of the national targets, Regions have developed the following straw Regional targets for FY2005 and should be negotiating with the States to ensure that States are developing their FY2005 work plans with these public health targets in mind.

	Baseline	Strategic Target A	Strategic Target B	Subobjective 2.1.1
	Percent Population served by CWSSs' meeting all health-based standards (end of 2002)	Percent Population served by CWSSs' meeting all health-based standards with which systems need to comply as of Dec 2001	Percent Population served by CWSSs' meeting all health-based standards with a compliance date of January 2002 or later	Percent Population served by CWSSs' meeting ALL health-based standards

Region 1	88%	78%	75%	71%
Region 2	81%	80%	70%	80%
Region 3	98%	94%	75%	93%
Region 4	96%	94%	75%	93%
Region 5	94%	95%	80%	95%
Region 6	93%	94%	75%	93%
Region 7	95%	94%	80%	94%
Region 8	97%	95%	75%	94%
Region 9	99%	95%	75%	94%
Region 10	91%	90%	70%	85%

While we recognize the need to provide flexibility to States and Tribes, we believe all State programs should be focused on ensuring that the gains of the previous years' efforts are preserved and built upon. The overall objective of the PWSS program grant is to protect public health by ensuring that:

- drinking water systems, of all types, and of all sizes, that are currently in compliance, remain in compliance;
- drinking water systems, of all types, and of all sizes, that are not currently in compliance, achieve compliance;
- drinking water systems, of all types, and of all sizes, are preparing to comply with the new drinking water regulations that will be taking effect in FY 2005.

In addition, even though we have made progress toward improving data quality, we still have significant work to do in this area. The recent analysis of data quality for SDWIS/Fed shows an improvement from 40% in 1996-98, to 65% for 1999-2001, and errors in compliance determinations are still the principal factor affecting the quality of violations data in SDWIS/Fed. A portion of the PWSS grant should be devoted to ensuring that data quality and other data problems are being addressed. Specifically:

- that water system compliance determinations are consistent with the Federal and State regulations; and
- that the required inventory, compliance, and enforcement data being provided to EPA are accurate and complete.

In addition, through EPA Order 5700.6, revised on January 8, 2004, you must develop and carry out a post-award monitoring plan and conduct basic monitoring for every award. From the programmatic standpoint, this monitoring should ensure satisfaction of five core areas: (1) compliance with all programmatic terms and conditions; (2) correlation of the recipient's work plan/application and actual progress under the award; (3) availability of funds to complete the project, (4) proper management of and accounting for equipment purchased under the award, and (5) compliance with all statutory and regulatory requirements of the program.

Given the variations among the Regions, you may determine what level of monitoring is appropriate for the PWSS grants as long as you comply with the Office of Water and Agency requirements. Advanced monitoring activities must be documented in the official grant file and the Grantee Compliance Database.

Attached are the tentative FY2005 State-by-State PWS grant allotments. We will be allotting \$98,335,500 of the requested amount among the States, and will be reserving \$6,764,500 for the Tribal PWSS program support (including support for Tribal programs and Regional Direct Implementation programs). The tentative Regional Tribal program allotments and guidance will be released in the near future.

When we get a FY2005 Appropriation and an Operating Plan, we will calculate the final FY2005 PWSS Program allotments. As always, the final allotments will be the same as the tentative allotments unless the funds appropriated for the program differ from the President's budget request. Should that occur, we will recalculate the allotments, using the same inventory, population, and geographical data as was used to calculate the tentative allotments. The only change will be the amount of money to be distributed.

If you have any questions about the State grant calculations, please give me a call, or have your staff call Ray Enyeart on (202) 564-3829.

Attachment

TENTATIVE FY2005 PWSS GRANT ALLOTMENTS
Based on the President's Budget Request of \$105,100,000

CT	1,449,000
ME	964,500
MA	1,176,700
NH	1,132,300
RI	496,500
VT	785,700
REGION 1 TOTAL	6,004,700
NJ	2,089,100
NY	5,027,500
PR	760,500
VI	247,900
REGION 2 TOTAL	8,125,000
DC Direct Implementation	360,500
DE	558,400
MD	1,611,900
PA	4,420,600
VA	2,229,200
WV	876,800
REGION 3 TOTAL	10,057,400
AL	956,500
FL	3,971,200
GA	2,245,300
KY	839,700
MS	1,291,700
NC	3,577,000
SC	1,089,300
TN	1,121,200
REGION 4 TOTAL	15,091,900
IL	3,125,300
IN	2,118,700
MI	4,570,900
MN	2,634,100
OH	3,089,000
WI	3,451,600
REGION 5 TOTAL	18,989,600

AR	983,100
LA	1,466,800
NM	1,095,400
OK	1,414,500
TX	6,206,700
REGION 6 TOTAL	11,166,500

IA	1,420,500
KS	1,153,300
MO	1,988,900
NE	1,019,100
REGION 7 TOTAL	5,581,800

CO	1,485,300
MT	1,266,400
ND	676,600
SD	747,800
UT	877,900
WY Direct Implementation	749,000
REGION 8 TOTAL	5,803,000

AZ	1,435,100
CA	6,487,900
HI	465,000
NV	838,300
AS	125,600
GU	124,800
NMI	172,600
REGION 9 TOTAL	9,649,300

AK	2,302,500
ID	1,219,900
OR	1,624,400
WA	2,719,500
REGION 10 TOTAL	7,866,300

Set-Aside for the Tribal PWSS Program:	\$6,764,500
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NATIONAL TOTALS:	\$105,100,000
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- The distribution of the Tribal PWSS Program Set-aside is not yet firm. These funds will be distributed/allotted among the Regions via separate correspondence.