

# SATELLITE MANAGEMENT OF SMALL WATER SYSTEMS

## THE WASHINGTON STATE PROGRAM

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# THE WASHINGTON PROGRAM

- 1991 Department of Health found many small systems were not being installed and maintained properly
- 1994 Satellite Management Agency (SMA) Oversight Imposed
  - ☞ Imposed because of the large number of poorly built, maintained and managed small water systems
  - ☞ Intended to stop the proliferation of small and non-viable water systems & management entities

# SATELLITE MANAGEMENT PROGRAM

## WHO ARE THE REGULATORS

- Washington State Department of Health, Office of Drinking Water (ODW)
- Local Health Departments
- Washington State Department of Ecology (DOE)
- Washington State Utilities and Transportation Commission (UTC)

# DEPARTMENT OF HEALTH OFFICE OF DRINKING WATER (ODW)

- Washington State has primacy under a formal agreement with EPA to enforce SDWA
- ODW regulates all public water systems to ensure quantity and quality using WAC 246-290
- ODW contracts with most local county health offices to oversee Group B water systems.

# DEPARTMENT OF ECOLOGY

- Manages Washington State's Water Resources
- Reviews and issues permits (sometimes) for the ground and surface water withdrawals

# WASHINGTON STATE UTILITIES AND TRANSPORTATION COMMISSION (UTC)

- Regulates the rates and charges of investor owned water utilities with over 100 connections or average annual charges greater than \$471 per customer using WAC 480-110
- Ensures rates charged are “Fair, Just, Reasonable & Sufficient”.
- Currently regulates 60 companies owning approx. 650 Group A & B water systems.



# SATELLITE MANAGEMENT

## WAC 246-290-035

The Washington Administrative Code designed to help reduce the number of NEW water systems and operators.

# WHAT DOES IT MEAN?

- In a nut shell, if you want to build a NEW water system you **MUST**
  - Verify your outside the service area of an existing Group A water system
  - Enter Agreement to turn over ownership and/or management to an SMA
  - Use SMA design standards
  - If none above are available, then (and only then) you may operate it yourself

# WHY?

- In 1989 Substitute Senate Bill 6447 directed the ODW, to prepare a report to the legislature identifying problems and proposed solutions associated with small water systems.
- In 1991 ODW published the "Small Water Systems: Problems and Proposed Solutions Report to the Legislature"

# WHAT THEY REPORTED...

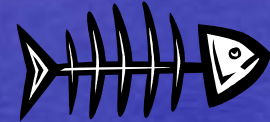
- There were over 12,300 small public water systems (systems with 2 to 999 connections), and still growing.
  - Not all were designed, installed and or managed well. Some small system owners and managers seemed to have their head stuck in the sand.



# WHAT THEY REPORTED Cont...

— Many cases they were out of compliance, primarily due to:

- Installed to bare minimum standards



- Installed and run by non-professionals (developers) who would walk and sometimes run away when lots are sold or problems popped up



- Inadequate revenue (too few rate payers) and inability to get affordable loans



# LACK OF QUALITY



# LACK OF MAINTENANCE & MANAGEMENT



# WHAT DOES IT TAKE TO BECOME AN SMA?

- Interested municipals, special districts, public utility districts, mutual's and investor owned utilities can seek approval from ODW by sending in a request and plan to ODW, who forwards a copy to affected counties for their review and comment.

# THE PLAN IDENTIFIES APPLICANTS...

- Willingness to provide
  - 👍 Ownership only
  - 👍 Contract Management only
  - 👍 Both
- Successful track record of operating satellite water systems (no out of compliance issues)
- Organizational structure
- Description of Area of Service
- Currently owned systems

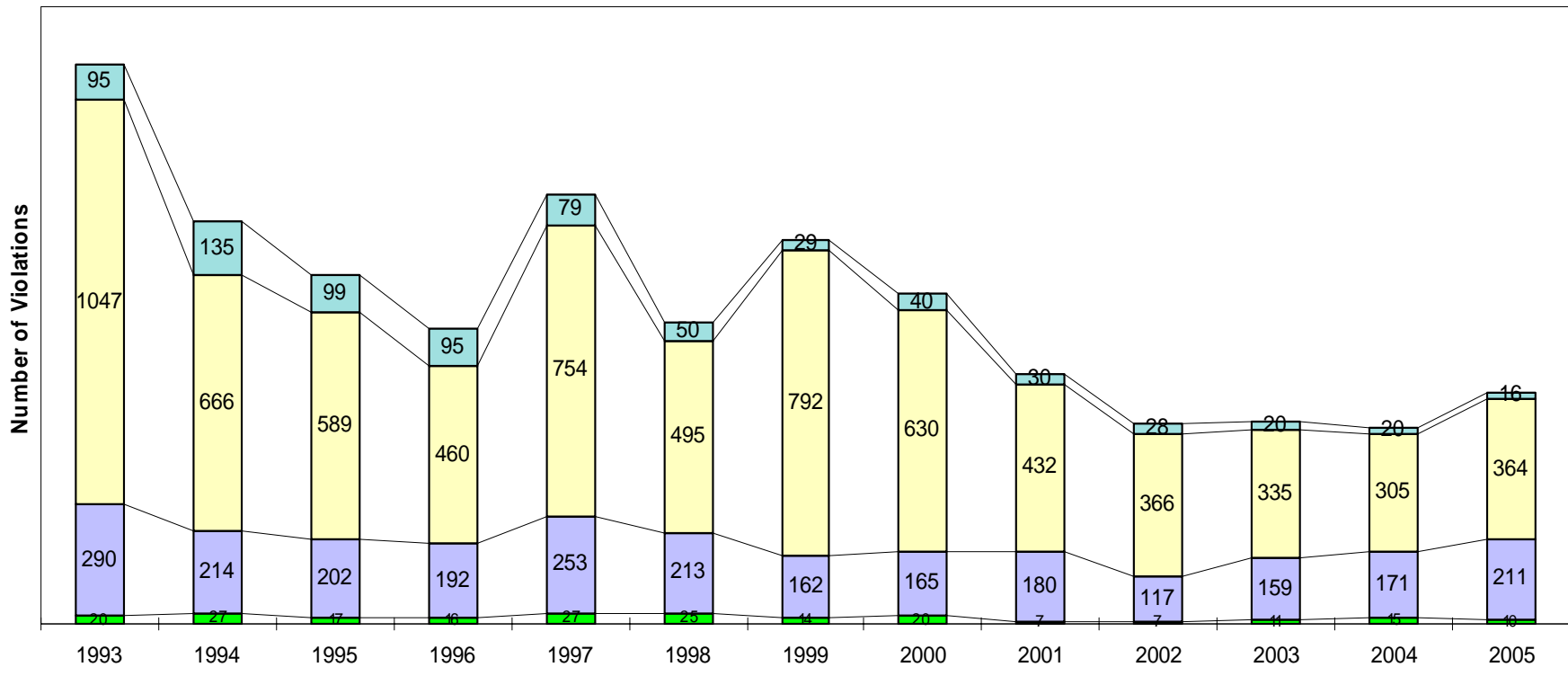
# PLAN CONTINUED...

- Service area policies/conditions of service
- System design standards
- Financial Viability (Approved by UTC if applicable)
- Operation & Maintenance program
- Local County confirmation that the plan is consistent with their plans and policies
- Documentation of NO systems in Significant non-compliance with ODW rules
- Approved Water System Plan (if applicable)

# IT HAS HELPED!

Coliform Violations - Southwest Regional Office

- Major Repeat
- Major Monitoring
- Non-Acute
- Acute



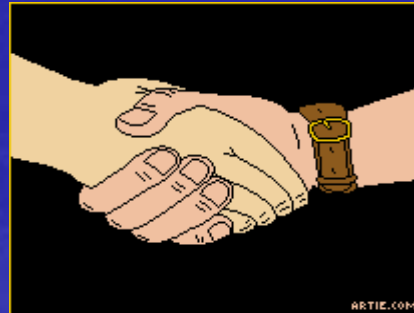
# BETTER INSTALLATION BETTER MAINTENANCE



- Cleaner, more professional installation
- Adequate storage and power reliability
- Better designs
- More consolidation of water systems
- Fewer small Group A systems are installed
- Fewer new and uncertified operators
- Dedicated certified operators have brought improved customer service

# BETTER PARTNERSHIPS

- Better operation and management of small systems, public health is better protected
- Reduced cost of Water System Plans for SMA ownership
- Reduced cost of Operating Permits for SMA's
- Improved planning for consolidating small systems  
"Economies of Scale"
- Helped improve communication & partnerships between ODW and UTC & SMA's



# BUT NOT AS WELL AS HOPED...

- There are a lack of approved SMA's in some counties
- In some counties local agencies are monopolizing
- ODW has enforcement issues
- Not all counties enforce requirements for developer and consultant to bring projects to an SMA for the design requirements
- Not many utilities will own or manage Group B's
- Under management agreements, SMA's have little control over financial decisions; therefore, systems can still lack long-term financial viability

# WATER RIGHT ISSUES HAVE NOT HELPED

- Delays of many years in obtaining new rights
- Minimal if any reduction in Group B water systems

# SUMMARY

- To work properly
  - You need to look at the impact of other requirements/laws
  - You need enforceability in the requirements
  - You need to look at the economics

QUESTIONS

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