2020 Supplemental Budget Decision Package

Agency: 303 - Department of Health
Decision Package Code-Title: BE - Assure Local Water System Safety
Budget Session: 2020 Supp
Budget Level: Policy Level
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Agency Recommendation Summary
Local revenue sources are insufficient to support the implementation and regulation of smaller Group B water systems. Group B water systems provide drinking water to small businesses and communities across the state and primarily impact rural areas where larger public utilities do not serve. The Washington State Department of Health requests funding to work with local health jurisdictions to ensure approximately 13,400 Group B public water systems in this state are providing safe and reliable drinking water.

Fiscal Summary
Dollars in Thousands

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<tr>
<th>Operating Expenditures</th>
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<th>FY 2021</th>
<th>FY 2022</th>
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<th>Object of Expenditure</th>
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Package Description
At present, 13,400 Group B water systems provide drinking water to small businesses and communities across the state. These small systems (with fewer than 15 connections and serving fewer than 25 people) impact rural economic development where larger public utilities do not provide service. Group B systems are primarily regulated by Local Health Jurisdictions (LHJ); however, limited local funding has resulted in limited implementation of these systems. In 2014, revisions were made to Group B regulations making it more critical for LHJs to implement Group B programs.
The Department of Health (DOH) shares regulatory responsibility of Group B systems with LHJs. DOH reviews Group B water system plans unless an LHJ has the authority to review them by adopting their own regulations or as delegated to them through a Joint Plan of Responsibility (JPR) with DOH. The amount of oversight an LHJ has over the Group B water systems in its jurisdiction varies among the LHJs:

- **Thirteen LHJs have no involvement**, including two of the state’s largest LHJs (Seattle-King and Spokane County Health Departments). The only oversight to their Group B water systems is the DOH review of new plans. Once new plans are approved, Group B water systems are not subject to any regulation, including the federal Safe Drinking Water Act.
- **Six LHJs have the authority to review new Group B water system plans** delegated to them through a JPR with DOH.
- **Sixteen LHJs have a JPR with DOH and have also adopted a local ordinance**, which often includes periodic inspection. Local ordinances provide open lines of communication, technical assistance, and networking among small systems, and can follow up on local issues. This is the best level of service and reduces Group B systems’ exposure to risks. LHJs also have the flexibility, granted under state law, to approve new water systems that the state cannot.

This proposal will continue the one-time funding provided in the 2017-2019 biennium to help LHJs establish and maintain comprehensive Group B programs. For most LHJs, this funding is vital for them to maintain local capacity to ensure safe and reliable drinking water for Group B systems in their jurisdictions. This funding will help defray the cost of program implementation to start and maintain a drinking water program. This proposal includes funding to develop and adopt rules, policies and procedures. It will also help cover the costs of providing technical assistance and training for staff and utilities, and assist with other program related costs.

DOH had pilot funding in the past to assist LHJs in developing local ordinances and increasing their involvement in Group B water system monitoring. While the pilot was successful, opportunities still exist to increase LHJ involvement in the oversight of Group B water systems.

Funding this proposal will reduce the health risks to Group B water system users. DOH’s Group B Project Report: Safe Drinking Water for Small Communities (November 2003) summarized the work of 31 LHJs over a two-year period to assess the state of Washington’s Group B public water systems (3,230 systems), and found:

- 53 percent of the systems lack of properly constructed and screened well vents;
- 45 percent of the systems had inadequate water quality monitoring;
- 31 percent of the systems were located within 100 feet of biological and chemical contaminants sources;
- 30 percent of the systems lack of sampling taps at the wellhead;
- About 26 percent of the systems have atmospheric storage reservoirs;
- 49 percent of the systems had unprotected openings; and
- 21 percent of the systems lacked sealed well caps.

In addition, the report called out other unsafe conditions and practices:

- Switching from a groundwater source to a highly vulnerable surface water (lakes, etc.) source without approvals;
- Shallow wells;
- Surface water from creeks;
- Poorly developed or unprotected springs which were often unfiltered and had no disinfection;
- Unapproved sources/treatment systems in place;
Old inactive sources that continue to be connected to systems,
- Absent water system owners – no one in responsible for the water system;
- Lack of knowledge and experience of water purveyors;
- Evidence of vandalism and a general lack of security;
- Hazardous conditions in pump houses such as bare electrical wires, blocked access to water system components, and rodent infestations; and
- Known or obvious risk of wellhead contamination from flooding.

A 2007 analysis of the department’s Group B program estimated that it would cost as much as $16 million per year to fully implement a Group B program consisting of monitoring oversight, technical assistance, inspections, compliance, and the maintenance of system inventory information. This proposal is a very economical alternative and has a proven track record of success.

As a possible alternative, DOH engaged with local governments to explore potential fees to cover the costs necessary to provide this same level of support, but given the economic situations in the rural areas, this approach was not considered feasible. Neither DOH or LHJs have sufficient funding to redirect to this activity without negatively impacting other priority public health work.

Without this funding, significant deficiencies in many Group B public water systems will continue. In addition, with newly identified contaminants in groundwater on the rise, such as Per- and Polyfluoroalkyl Substances (PFAS), LHJs will be called upon to provide technical assistance and oversight of these small rural water systems. The funding requested will position LHJs to fill the small water system technical assistance gap.

Assumptions and Calculations

**Expansion or alteration of a current program or service:**

No funding was appropriated in the 2015-2017 biennium.

DOH received one-time funding of $460,000 in 2017-2019 biennium. This proposal would continue this funding to help LHJs establish and maintain comprehensive Group B programs.

**Detailed assumptions and calculations:**

DOH requests $492,000 in fiscal year 2021 and ongoing for LHJs to implement local Group B water system ordinances and regulations. These funds would be passed through as grants to the LHJs. The grant amounts will depend on the demand and the available funds at the time of request. The amount will also depend on the need and the goal of the participating LHJ. The appropriation amounts requested in this proposal assume:

- Counties implementing and administering a local ordinance are eligible to receive $20,000 per year. DOH projects 20 such counties in fiscal year 2021 and ongoing;
- Counties implementing and administering a “full” Joint Plan of Responsibility (JPR) receive $10,000 per year. DOH projects seven such counties in fiscal year 2021 and ongoing; and
- Counties implementing and administering a “partial” JPR receive $5,000 per year. DOH projects six such counties in fiscal year 2021 and ongoing.

**Workforce Assumptions:**

See attached financial calculator (FNCAL)
Strategic and Performance Outcomes

Strategic framework:

- Governor’s Results Washington:
  - Goal 4: Healthy and Safe Communities
- DOH Agency Plan:
  - Goal 1: Protect everyone in Washington from communicable diseases and other health threats;
  - Objective 3: Ensure the safety of our environment as it impacts human health; and
  - Foundational Public Health Services element EPH-3: Conduct environmental public health investigations, sampling, laboratory analysis, and oversight to protect food, recreational water, drinking water, and liquid solid waste systems in accordance with local, state, and federal laws and regulations.

Performance outcomes:

Performance outcomes: There are no current tracked measures in Results Washington or in the Office of Financial Management's Performance Management System. However, DOH will track the initial program success by the number of LHJs that have adopted a local ordinance or increased their level of participation in the Group B program. Ongoing performance indicators will be developed by DOH in consultation with the LHJs.

Other Collateral Connections

Intergovernmental:

The proposed funding will be passed on to county government to provide greater support for communities around safe and reliable drinking water. It will help LHJs establish comprehensive Group B programs by subsidizing the startup costs. The investment will allow local government to efficiently oversee small public water system operations and improve compliance within their jurisdiction, promoting healthier communities than would otherwise be possible. This oversight and expertise goes beyond Group B water systems. Established programs also better support decisions around individual wells and supports technically proficient emergency capacity that is locally situated for all size water systems.

Stakeholder response:

The following stakeholders support this request:

- Public and Private Satellite Management Agencies;
- Drinking water consulting engineers that design Group B water systems;
- Land owners and developers; and
- Mobile Home Park Owner Associations

Legal or administrative mandates:

This request is not driven by legal or administrative mandates.

Changes from current law:

This request does not require any changes to statutes or rules.
State workforce impacts:
This request does not impact existing collective bargaining agreements.

State facilities impacts:
This request does not impact state facilities.

Puget Sound recovery:
This request is not related to Puget Sound recovery efforts.

Reference Documents
- Group B LHJ Involvement by County.pdf
- PL BE Assure Local Water System Safety-FNCAL.xlsm

IT Addendum
Does this Decision Package include funding for any IT-related costs, including hardware, software, (including cloud-based services), contracts or IT staff?
No