



# Protecting Investments in Water Infrastructure 2024 State Asset Management Initiatives April 3, 2024

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# How EPA Builds Drinking Water System Capacity

- **Protects public health** by building the Technical, Managerial, and Financial (TMF) capacity of water systems
  - To achieve safe, reliable drinking water and long-term sustainability
- **Helps water systems** through capacity building resources:
  - Outreach, training, and technical assistance
  - Establishes professional standards for operators, promotes compliance, provides training & certification, and encourages continuous learning
- **Provides EPA Water Technical Assistance (WaterTA)**
  - With states, Tribes, territories, community partners, and stakeholders, we help communities solve their water challenges

# Key EPA Resources to Support Capacity Building and Asset Management

- Reference Guide for Asset Management Tools
  - for state staff and technical assistance providers and is intended to help assist small and medium sized drinking water or wastewater systems in identifying resources that can be used to implement asset management practices. This guide provides a framework to assist systems in all aspects of developing and implementing an asset management plan.
- Asset Management: A Handbook for Small Water Systems (STEP Guide)
  - Designed for owners and operators of small community water systems (CWSs). This guide presents basic concepts of asset management and provides the tools to develop an asset management plan.

# Key EPA Resources to Support Capacity Building and Asset Management (Continued)

- 2024 State Asset Management Initiatives Document
  - Summarizes the asset management initiatives taken by states as described directly in their revised capacity development strategies to help public water systems (PWSs) to improve their financial health and reliability to provide safe drinking water.
- **Scan the QR code** to see more resources from EPA linked to capacity building, including asset management.



# EPA WaterTA Supports Communities to:



Identify water challenges



Plan for solutions



Increase community engagement



Improve compliance and access to safe and clean water services

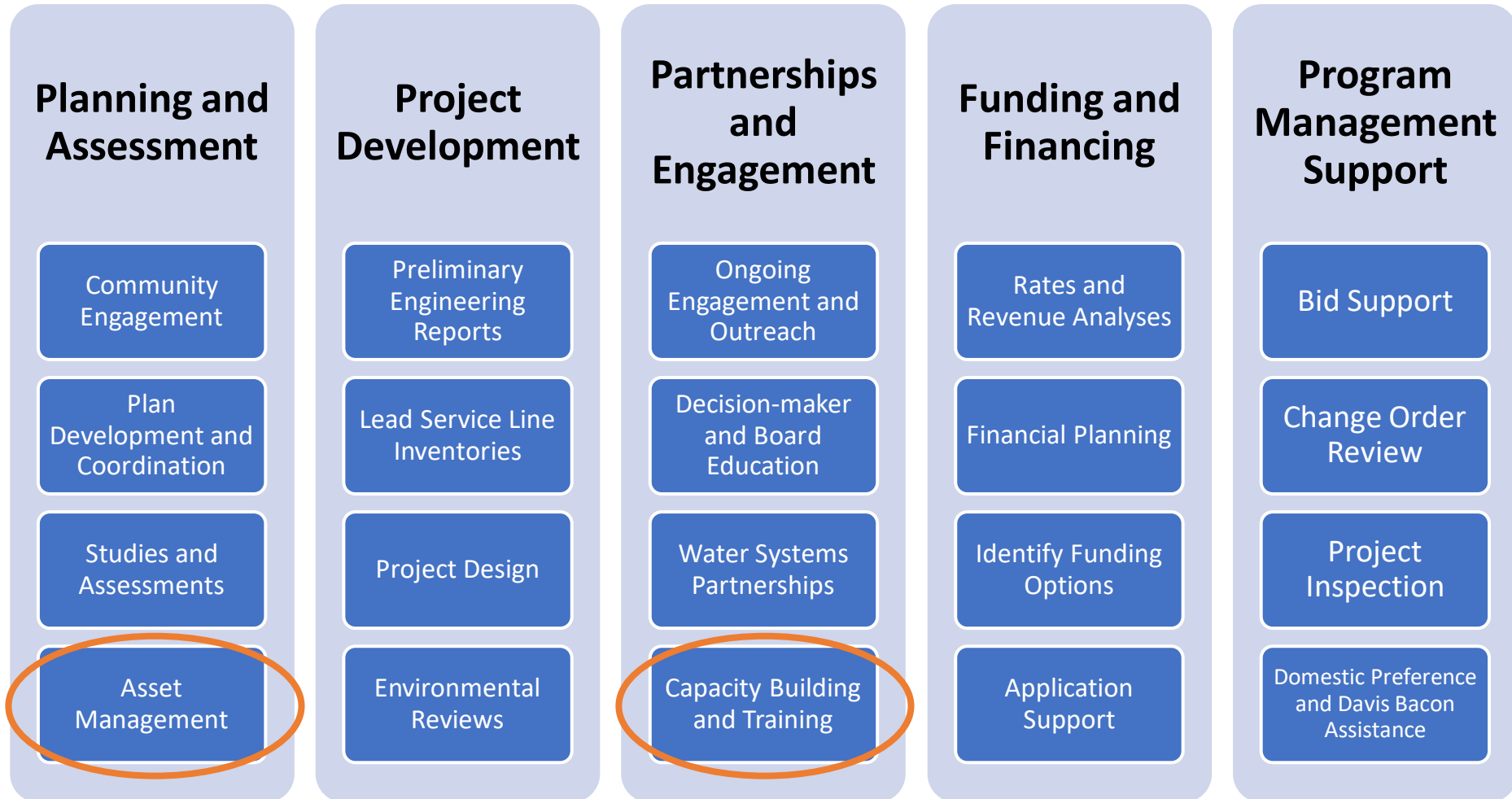


Build technical, financial, managerial capacity



Develop application materials to access water infrastructure funding

# WaterTA Services



# More information on WaterTA

- Email your questions to [WaterTA@epa.gov](mailto:WaterTA@epa.gov)
- Visit [www.epa.gov/waterta](http://www.epa.gov/waterta) for more information
- Visit <https://www.epa.gov/water-infrastructure/forms/water-technical-assistance-request-form> to submit a WaterTA request





# The Value of Asset Management and its Impacts on Funding and Sustainable Infrastructure



# The Value of Asset Management in Funding Sustainable Infrastructure

- **Capacity Development** – a statutory framework for state programs to work together to improve the technical, managerial, and financial capabilities of water systems.
- **Asset management** – a practice of managing infrastructure assets in a manner that promotes long-term sustainability.
- Offers a pathway for Drinking Water State Revolving Funds (DWSRFs) to fund sustainable infrastructure.

# The Value of Sustainable Infrastructure

- Improves the long-term value of DWSRF-funded projects
- Promotes DWSRF investment in projects that will have a lasting impact
- Maximizes the public health benefits of the state's DWSRF program
- Helps systems achieve the long-term and sustainable delivery of safe drinking water for public consumption.



# How DWSRF Can Help Promote Asset Management

- Award DWSRF priority points to projects with asset management plans.
- Offer principal forgiveness to disadvantaged communities to make asset planning more affordable.
- Use DWSRF set-asides to fund asset management training and in-person technical assistance.
- Use DWSRF-funded grants and planning loans to support development of asset management plans.



# 2024 State Asset Management Initiatives Document

# Why Did EPA Create the Asset Management Initiatives Document?

- Opportunity for state agencies to learn about the various initiatives that other states are undertaking to promote asset management.
- Encourage collaborations with technical assistance providers.
- Develop and provide resources that guide future asset management assistance for public water systems.



# The Main Categories of State Initiatives to Promote Asset Management

- **Funding Activities** – The ways in which asset management is funded or awarded funding, including through state grant programs, the utilization of DWSRF set-asides, or part of loan conditions and forgiveness.
- **Regulatory Activities** – How asset management is integrated into state requirements, such as within state statutes or codes, sanitary survey reviews, or training requirements.

# The Main Categories of State Initiatives to Promote Asset Management

- **Assistance Activities** – Efforts to encourage asset management, including training, outreach, guidance documents, and technical assistance activities.
- **Internal Activities** – Activities at the agency level to further promote asset management, such as training for state staff and consideration of new asset management requirements.

# States' DWSRF Set-Asides Asset Management Activities

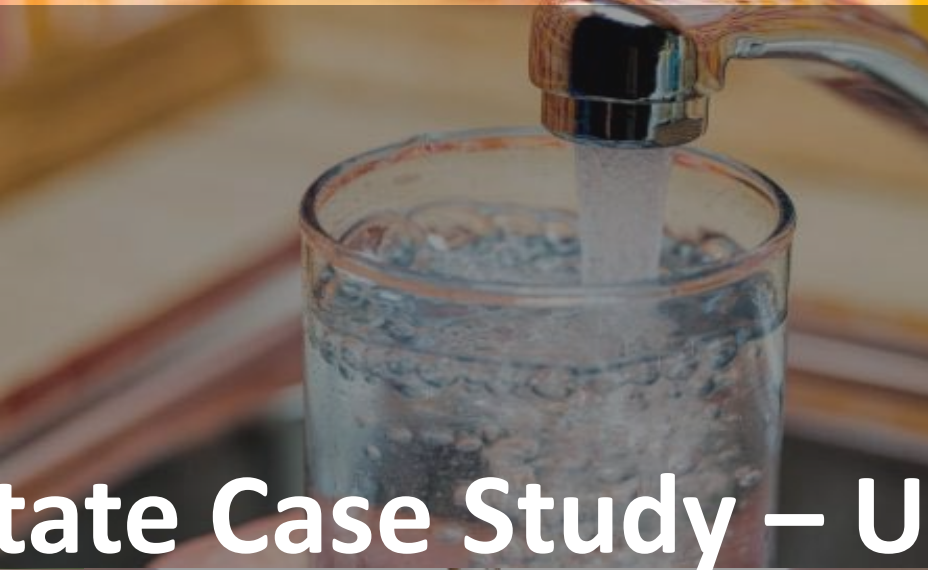
Utilizes DWSRF Set-Asides for Asset Management Training/Technical Assistance	
Arkansas	ADH utilizes set-asides from the DWSRF for small systems technical assistance, with areas of assistance including asset management plans.
Florida	The Florida Department of Environmental Protection's contract with the Florida Rural Water Association (FRWA) to prepare asset management plans was expanded to add drinking water systems using set-aside funding.
Georgia	Georgia uses set-aside funds to promote asset management plan development and implementation training.
Idaho	DWSRF set-asides can be used for asset management planning grants.
Massachusetts	DWSRF set-asides can be used to fund technical assistance providers that assist in leak detection and other asset management activities.



# Which Asset Management Activities are Most Popular Among States?

Table 2: Top Asset Management Activities in Each Category

Rank	Funding	Regulatory	Assistance	Internal
1	Loan Condition and Forgiveness Programs (25 states)	Sanitary Survey (32 states)	Training (50 states)	Future Implementation (11 states)
2	SRF Priority Points (23 states)	State Statutes or Codes for Asset Management Planning (13 states)	Technical Assistance (43 states)	State Staff Training (8 states)
3	Funding for Asset Management Planning (22 states)	Additional Business or Financial Planning Requirements (13 states)	Outreach (35 states)	Considering Regulatory Requirements (5 states)



# State Case Study – Utah



# Funding Activities

- Incorporating asset management into their DWSRF ranking system to evaluate water utility compliance with state capacity development program.
- Funding is prioritized according to a system's plan for improving TMF capacity, including developing and implementing asset management programs.



# Funding Activities

- Financial assistance is available for planning or construction of infrastructure improvement projects. Includes preparation of asset management plans.
- State uses DWSRF set-asides to:
  - Provide training on the five asset management core elements
  - Promote and encourage asset management for all systems



# Funding Activities

- Systems requesting financial assistance through the DWSRF Program are required to provide a copy of their asset management plan to the state for review and approval.



# Regulatory Activities

- State passed legislation in 2022 that requires existing water providers to develop and implement a capital asset management plan before they can receive financial assistance from either state or federal funds.
- Proposed new systems must submit a capacity development business plan which includes an asset management plan to the state for review and approval before it may serve drinking water to the public.



# Regulatory Activities

- Sanitary surveys allow Utah to assess a system's technical capacity based on infrastructure/asset condition at the time of the site visit.
- Systems that exhibit inadequate or aging infrastructure may require additional training on technical capacity and asset management to improve compliance with state and federal drinking water standards.



# Assistance Activities

- TA provided to smaller systems now includes asset management assistance.
- TA providers and the state develop asset management training courses and provide asset management training to the state's water utilities.
- TA providers assist with keeping asset management resources on the state's website up to date.





# Assistance Activities

- State encourages asset management through its operator certification program:
  - Promotes asset management by offering continuing education credits on it
  - Includes asset management questions on operator certification tests.
- The state's Capacity Assessment Worksheets now include asset management questions.
  - High priority systems are sent self-assessment worksheets that include the five core components of asset management.



# Utah State Resources

- Capacity Development Division of Drinking Water:  
<https://deq.utah.gov/drinking-water/capacity-development-division-drinking-water>

# Categories of State Initiatives to Promote Asset Management (Data Subset)

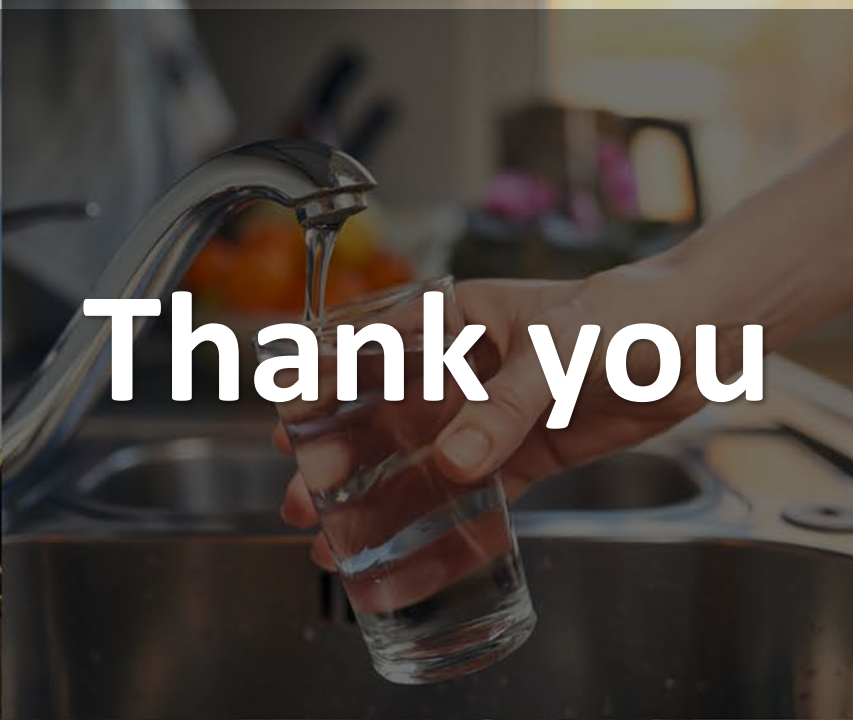
	Funding Activities				Regulatory Activities					Assistance Activities					Internal Activities			
	SRF Priority Points	Funding for AM Planning	Utilizes DWSRF Set-Asides	Loan Condition and Forgiveness Programs	State Statutes or Codes for AM Planning	Training Requirements	Additional Business or Financial Planning Requirements	Sanitary Survey	Needs Assessment	Training	Outreach	Technical Assistance	Guidance Document	Questions in Capacity Assessments	Training for State Staff	Considering Incentives in SRF Program	Considering a Regulatory Requirement	Other Future Implementation
New Jersey	X	X		X	X					X	X	X	X		X			
New Mexico				X						X		X						
New York		X		X						X	X	X	X	X				
North Carolina	X	X								X		X	X					
North Dakota	X									X	X	X		X				
Ohio		X	X	X	X					X	X	X	X					X
Oklahoma				X						X	X	X		X				
Oregon				X						X	X	X	X	X		X		
Pennsylvania	X	X		X			X	X		X	X	X						X
Puerto Rico		X								X	X	X	X			X		X
Rhode Island			X	X			X			X		X						
South Carolina		X		X						X	X	X						
South Dakota			X	X						X	X	X	X	X				
Tennessee	X	X								X	X	X				X		
Texas	X	X								X	X	X	X					
Utah	X	X	X	X	X		X	X	X	X	X	X	X					

# Conclusions

- Asset management is critical to financial and operational success of water systems.
- Asset management increases a system's chances of meeting federal and state requirements.
- It is important for states to see how other states are implementing funding, regulatory, assistance, and internal activities to promote asset management and which activities are most prevalent across the states.
- States are encouraged to use the Asset Management Initiatives Document to network with one another to overcome barriers and strengthen their asset management programs.

# Questions and Resources

- What ways can EPA support the states to strengthen their asset management Programs and overcome challenges?
- What other trainings or resources would be helpful for EPA to provide to help states and technical assistance providers?
- Download the 2024 Asset Management Initiatives Document here: <https://www.epa.gov/dwcapacity/state-asset-management-initiatives-documents>
- Visit EPA's Drinking Water Trainings Page: <https://www.epa.gov/dwreginfo/drinking-water-training> to view upcoming and past asset management webinars and trainings.



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