# **State of New Mexico**



# Capacity Development Program Triennial Report to the Governor State Fiscal Years 2021-2023



**September 26, 2023** 

Prepared by

New Mexico Environment Department

Drinking Water Bureau

# **Table of Contents**

Introduction	1
Capacity Development Strategy	1
Sustainable Water Infrastructure Group (SWIG)	1
New and Small Systems Strategy	3
State's Legal Authority to approve a New System	5
New System Control Point	5
Approved New Systems	5
Table 1: New Water Systems and Associated ETT Scores over 10 in July 2023	6
Existing Systems Strategy	7
Capacity Development Strategy	7
Identifying the Need for Capacity Development Assistance	8
Capacity Control Point for Existing Systems	10
Capacity Assistance Methods	10
SFY23 Capacity Development Activities, Target Audiences and Performance	11

#### Introduction

The Safe Drinking Water Act (SDWA), as amended in 1996, established the Drinking Water State Revolving Fund (DWSRF) to make funds available to drinking water systems to finance infrastructure improvements and to provide assistance to public water systems (PWS) to support the protection of public health. States operate their own DWSRF programs and receive annual capitalization grants from the Environmental Protection Agency (EPA) to support low-interest loans and provide assistance to PWS. The State of New Mexico adopted the Drinking Water State Revolving Loan Fund Act to support these efforts and implement the State's program. DWSRF funds are used to support compliance with drinking water standards, operating requirements, and to provide technical, managerial, financial, planning, and funding assistance to systems statewide.

The State, through the New Mexico Finance Authority (NMFA) and the New Mexico Environment Department's Drinking Water Bureau (DWB), utilizes the resources of DWSRF to cooperatively administer the New Mexico's Drinking Water State Revolving Loan Fund (DWSRLF) program. Pursuant to state statute NMSA 1978 6-21A-4, the NMFA administers the loan funds of the program and the Administration Set-Aside and the DWB administers the EPA DWSRF set-aside funds. EPA DWSRF set-aside funds are used for providing technical assistance directed toward small PWS, state program management support for the bureau, and local assistance such as capacity development to work with drinking water systems to improve technical, managerial and financial (TMF) capacity. DWSRF set-aside funds also support infrastructure project engineering reviews, source water protection, and utility operator certification. As the State primacy agency, the DWB is required by the SDWA to carry out regulatory supervision of PWS, enforce SDWA violations and develop strategies to ensure that all public water systems (PWS) have the TMF capacity to provide safe drinking water.

# **Capacity Development Strategy**

The DWB submitted a revised Capacity Development Strategy to the EPA in December 2022. Water system statistics, programmatic information, and DWB structure are out of date. A program goal was achieved for SFY 2022, when the updated Capacity Development Strategy was submitted to EPA December 20, 2022.

# **Sustainable Water Infrastructure Group (SWIG)**

The DWB's Sustainable Water Infrastructure Group (SWIG) is responsible for providing training and assistance to public water systems by implementing the EPA DWSRF set aside programs, as well as community planning and infrastructure development assistance as needed from other funding sources. This document serves as New Mexico's *Capacity Development Triennial Report to the Governor* for the state fiscal years 2021-2023 (SFY21-23) covering the period of July 1, 2021 through

June 30, 2023. During the reporting period SWIG was reorganized in 2022, to better serve public water systems through streamlined and focused efforts. Currently, SWIG is comprised of six programs serving public water systems:

#### Assessment and Policy Team

This team completes capacity assessments for new and existing systems, completes the water and sewer rate survey, and completes the water infrastructure needs survey and assessment. The data will be used to assist with policy decisions. The team also reviews and provides guidance related to policy changes that can support public water systems related to the Sanitary Projects Act (SPA), MDWCA board training, and revision and development of regulations. The team was developed with the intent of focusing efforts on the development of a new data driven assessment tool to document, prioritize, and determine system capacity, infrastructure needs, and support options. The data is used to ensure water systems are prioritized to better support water systems needs and establish sustainable solutions.

#### Regionalization and Sustainability Team

This team was created to promote regionalization efforts, establish sustainable solutions, and incorporate resiliency into infrastructure projects. The team establishes various resource hubs to encourage collaboration and resource sharing between public water systems. The efforts of this team are focused on sustainable resilient solutions to adapt to changing conditions including increased regulations, fewer operators and board members, and changing climate conditions. The team collaborates with numerous stakeholders to build support for regionalization through collaboration, assistance, and information to provide support community efforts to build sustainable water systems. with resiliency strategies and the development of long-term plans focused on addressing the impacts of climate change; addressing customer complaints that cannot be resolved with traditional technical, financial, and managerial capacity assistance and may require alternative solutions.

#### <u>Infrastructure Support Team</u>

Formerly known as the Engineering Team, this team provides expanded support to public water systems. In addition to providing engineering reviews for water infrastructure design plans for new and existing PWS to ensure that they follow the SDWA, America's Water Infrastructure Act (AWIA), and the National Primary Drinking Water Regulations, the team also provides assistance completing DWSRF applications and eligibility determination which is co-managed with the New Mexico Finance Authority

#### **Capacity Support Team**

Formerly known as the Technical Services Team, the intent of creating this team is to provide targeted technical assistance, support with emergency response, training, and implementation of the Area

Wide Optimization Program (AWOP). Assistance provided by this team include support to develop and maintain technical, managerial, and financial capacity through assistance with development of emergency response and risk/resilience plans and assistance for PWS emergency situations.

#### Source Water Protection

This team, formerly known as the Source Water and Wellhead Protection Program has better defined responsibilities regarding providing technical assistance for source water assessments and plans, training, and implementation of source water special studies. Members of this team provide assistance to water systems for development of source water assessments and protection plans including identification of hydrogeologically-based capture zones and surface water areas. Special studies may focus on emerging and existing contaminants. Assistance to public water systems include implementation of plans and accomplishing objectives set in source water protection and development; review existing assessments and protection plans; targeted assistance for compliance issues related to exceedance or primary drinking water standard maximum contaminant levels (MCLs); and assistance and guidance with climate change resiliency planning.

#### <u>Utility Operator Certification Team</u>

This team provides oversight and administration of water and wastewater sampling and operator certifications, exams, equivalency, and renewals. This team is focused on nurturing collaborative projects to increase the number of operators entering the water and wastewater workforce through development and support of technical training for utility operators and intern programs.

SWIG coordinates closely with the Public Water System Supervision (PWSS) and the Water Conservation Fund groups regarding system compliance issues contaminant and sampling waivers. Group staffing resources include one group manager, six team leads (supervisors), and 16 staff. Currently the only program with no vacancies is the Utility Operator Certification Program. All supervisory positions are filled, the group currently has an overall vacancy rate of 30.4%.

Team Name	Vacancy Status		
Assessment and Policy Team	1 vacancy of 3 positions		
Regionalization and Sustainability	1 vacancy of 3 positions		
Infrastructure Support Team	2 vacancies of 4 positions		
Capacity Support Team	1 vacancy of 4 positions		
Source Water Protection Team	2 vacancies of 4 positions		
Utility Operator Certification Team	0 vacancies of 4 positions		

# **New and Small Systems Strategy**

SWIG continues working with the PWSS compliance teams developing, practicing, and refining system

procedures that include a full capacity assessment, sanitary survey, and engineering review; work will continue to finalize procedures and complete the strategy assessment and delineation.

This includes identifying appropriate processes in regulating systems that have historically been too small to regulate based on the number of connections or the way population was calculated in the past. Although not yet regulated under SDWA, these very small local governments in New Mexico called Mutual Domestic Water Consumer Associations are created under the Sanitary Projects Act (SPA) NMSA 1978 Section 3-29-5. These very small communities are now facing aging and failing water infrastructure that was historically constructed with public funding, where they now may meet population requirements to be regulated, but do not meet SDWA requirements or have any revenue to maintain or replace infrastructure. In 2017 the NM State Legislature amended the SPA to read no new associations shall be formed unless the association will service at least fifteen connections or a population of 25 for at least 6 months of the year. This amendment aligns the formation of a new MDWCA with the federal regulatory definition of a community water system so all newly formed associations will be regulated by the DWB.

DWB receives information on these small communities seeking assistance, who have historically received State grant money for water infrastructure but did not meet the definition of a public water system when it was awarded, or when construction was complete. Currently, the most effective approach to addressing the needs of very small water systems is for very small systems to regionalize with others to become cost effective, systems that are large enough to be regulated community systems under the SDWA. Unfortunately, these small communities have been operating sometimes for decades without oversight, including no infrastructure design documents to ensure that facilities meet regulatory requirements, no water operator, and no billing or revenues. These systems that are already serving water and their customers do not benefit from an unapproved application to become a public water system but should be regulated with a sense of urgency to better protect public health and identify ways to be able to continue to serve cost effective, clean drinking water to these rural communities.

New system procedures include steps for a new PWS that has already been serving water, which similarly include the initial evaluation for compliance with a sanitary survey, a complete capacity assessment and the submission of engineering documents on the facilities for review if it is available, but also identify areas of necessary assistance and how to proceed with enforcement. SWIG has continued work with PWSS to implement these procedures and to revise the bureau's enforcement policy to support these changes.

SWIG continues developing methodologies to work with regional managerial entities as proposed, where the system needs to have planning and facility design documents approved but does not plan to serve water for an unknown number of years. Although these types of regional entities take multiple years of planning to prepare to manage multiple water systems, the examples that we have in New Mexico have been successful in maintaining and operating more sustainable, cost effective and compliant water systems in rural regions. When multiple entities are coordinating on a regional

project, it is a priority to make compliance recommendations to the system as soon as planning documents are completed, even if water will not be served for a significant amount of time.

#### State's Legal Authority to approve a New System

New Mexico's legal authority to implement the New Systems Program has not changed over the previous 3-year period nor has there been change to the State's control points. A control point is a point in time when the primacy agency can exert control to review and influence the system's capacity.

#### New System Control Point

The Capacity Development Strategy for New Systems, dated September 1999, indicates one control point: new system application review. New Mexico Drinking Water Regulation 20.7.10.201.F NMAC requires new public water systems to demonstrate such capacity prior to receiving approval from the DWB for construction and operation. New systems in New Mexico must submit an "Application for Construction or Modification of Public Water System." This application must include plans and specifications, an engineering design summary, disinfection and sampling plan, an inventory of contamination sources and a set of documents from which it can be determined whether the public water system has sufficient technical, managerial, and financial capacity.

This control point will be maintained through any revisions of the new system strategy. Specific minimum capacity criteria have also been defined to increase the transparency of capacity expectations. With the implementation of the new procedures to include "new systems already serving water" this control point is still maintained because the system will be under enforcement immediately however, assistance will also be provided wherever possible to expedite the return to compliance timeframe.

## Approved New Systems

In the period from July 1, 2021 to June 30, 2023 there were twenty (20) new public systems activated; two with ETT scores over 10. The new systems activated during the reporting period were a mix of non-community establishments such as restaurants or hotels that serve water, and community water systems.

The new systems activated since January 1, 2010 and the EPA Enforcement Targeting Tool (ETT) scores over ten and/or administrative orders (AO) are listed in Table 1. No administrative orders have been issued for the new systems activated in SFY20.

Table 1: New Water Systems and Associated ETT Scores over 10 in July 2023

PWS Number	PWS Name	ETT Score	Administrative Order Status
NM3515918	AGUA NEGRA MDWCA	18	
NM3524932	BELEN WATER SYSTEM	12	
NM3526033	BIBO MUTUAL DOMESTIC WATER ASSOC	16	
NM3502507	CAMINO REAL REGIONAL UTILITY AUTHORITY	19	
NM3500330	CASSANDRA WATER SYSTEM	17	Administrative Order issued in 2022
NM3501021	CHAMA WATER SYSTEM	14	
NM3526204	CIMARRON WATER SYSTEM	111	Administrative Order issued in 2012
NM3501221	CORDOVA MDWCA	15	
NM3500332	CORREO WATER ASSOCIATION	25	
NM3500402	COYOTE CREEK MUTUAL DOMESTIC WUA	13	
NM3516807	DE LA TE MOBILE MANOR	15	Administrative Order issued in 2022
NM3580033	EL MALPAIS RANGER STATION (BLM)	23	
NM3524030	ESTANCIA WATER SYSTEM	14	
NM3501232	HIGHLAND MEADOWS ESTATES MDWCA	21	Administrative Order issued in 2016
NM3581623	HOMESTEAD VILLAGE	18	
NM3552728	LA JOYA MDWCA	21	
NM3518025	LAS VEGAS (CITY OF)	52	
NM3500432	LOMA ESCONDIDA WATER ASSOCIATION	20	Under an EPA Administrative Order
NM3526404	MAXWELL WATER SYSTEM	12	
NM3590318	MORA INN AND RV PARK	15	
NM3535320	NARA VISA MDWCA	12	
NM3536724	NAVAJO DAM DOMESTIC WATER CONSUMERS INC	11	Administrative Order issued in 2021
NM3590521	OJO CALIENTE MINERAL SPRINGS	16	
NM3501024	PINE RIVER MDCA	13	
NM3502514	PINON HILLS RV PARK	17	Under an EPA Administrative Order
NM3500333	POTCO WATER SYSTEM	51	
NM3590504	RATON PASS CAMP	22	Administrative Order issued in 2018
NM3500324	ROSA JOINT VENTURES WATER SYSTEM	35	
NM3552803	ROSWELL CORRECTIONAL CENTER	18	
NM3525833	SAN RAFAEL WATER & SANITATION DISTRICT	23	
NM3509723	SAN YSIDRO WATER SUPPLY SYSTEM	17	Administrative Order issued in 2018
NM3572926	SANTA CRUZ WATER ASSOCIATION	21	Administrative Order issued in 2011
NM3500104	SPRINGER CORRECTIONAL FACILITY	23	Administrative Order issued in 2019
NM3526604	SPRINGER WATER SYSTEM	15	Administrative Order issued in 2021
NM3514019	TULAROSA WATER SYSTEM	54	Administrative Order issued in 2019

### **Existing Systems Strategy**

The current approach to capacity development was approved by the EPA in 2014, which addressed an updated capacity assessment, developing a more comprehensive approach to training and assistance in planning, as well as new methods to track program performance in the Safe Drinking Water Information System (SDWIS). Since SFY20, this strategy was implemented as it was developed and refined with standard procedure development and implementation. Implementing the strategy has been filled with lessons learned and the refinement of procedures to accomplish program goals.

#### Capacity Development Strategy

Communities in New Mexico are facing more water outages, water production and quality impacts due to changes in environmental conditions, including the ongoing depletion of aquifers that are



increasingly being harvested decreasingly recharged. Additional pressures include managing the challenges of providing water while addressing issues of aging and failing infrastructure. A sustainable approach to these drinking water issues requires communities to think more holistically about their water infrastructure and supply over the long term. The limited water resource supply in New Mexico is driving communities to this approach often incorporating emergency response planning, source water protection and development planning, regionalization water conservation programs, options,

energy use planning, and wastewater reuse into the discussion of how best to ensure high quality water production can meet demand for the decades ahead.

Water system capacity refers to a water system's ability to consistently provide safe drinking water for its customers. To do that, a system must have the technical abilities, managerial skills, and financial resources to meet state and federal drinking water regulations. Technical, managerial, and financial capacity are individual yet highly interrelated dimensions of capacity. SWIG continues to provide technical, managerial, and financial assistance to systems for capacity development, but has expanded training and assistance topics to become more inclusive of the planning that communities struggle to accomplish. It also expands the goals of SWIG programs beyond meeting Safe Drinking Water Act compliance requirements, to optimizing efficiency of drinking water treatment, operations and system management in order to better plan for the future through the Area Wide Optimization Program.

The inclusion of community planning in the capacity development strategy through the Source Water Protection Program is intended to build upon the EPA's Clean Water and Drinking Water

#### (http://water.epa.gov/infrastructure/sustain/upload/Sustainability-Policy.pdf)

The limited water resources and competing interests in the state of New Mexico is such that an additional level of sustainable planning is incorporated in to the EPA's sustainability policy model to represent a New Mexico sustainable community model that builds capacity towards sustainability, including the development, preservation, and protection of high quality source water for drinking.

#### Key aspects of the strategy include:

- Continued program development and improvement;
- A community planning focus through the Source Water Protection Program to include other
  planning objectives best addressed in a community setting that incorporates public feedback
  such as emergency response, water conservation, drought contingency planning, and
  regionalization opportunities;
- Increasing collaborative outreach with regional board training, outreach presentation events and the development of the Area Wide Optimization Program in NM;
- Increasing coordination and collaboration with funding providers in NM to encourage and promote more sustainable water infrastructure projects and development;
- Promotion of an expansion of the term "regionalization" to include any collaboration of operations, management, or infrastructure between neighboring systems and increasing outreach on the potential for PWS to collaborate in all capacity development topics;
- Development of tracking procedures for capacity assessments and assistance, as well as a method to capture capacity milestones accomplished by the PWS with set-aside funded assistance.

#### SFY20 New Program Revisions to be included in the next strategy revisions

In SFY23 the Engineering Program and the Utility Operator Certification Program (UOCP) continue to be successfully incorporated into SWIG and will have both programs established objectives and strategies in the next revision of the capacity development strategy. The focus this fiscal year for both programs has been to fill vacant positions, reduce the need for contract work, and develop roles responsibilities and procedures to meet program objectives.

#### *Identifying the Need for Capacity Development Assistance*

A capacity assessment is a method for gathering financial, managerial, and technical information about a water system and then developing a picture of the how well the system is administered and operated. The current approach is to ask water systems to submit for review a collection of documents that are essential for a well-run water system and, thus, provide a gauge of system capacity. The same set of documents are reviewed regardless of what circumstance triggers the assessment, though the specific documents requested will vary depending on the type of water system. The assessment will determine the quality of these documents, which will be evaluated for quality against a list of items that are desirable or needed for each document. All SWIG teams have the same triggers for completing assessments and the resulting SWIG Assistance work plan is

developed cooperatively between programs.

Capacity development priority triggers identify the public water systems with capacity deficiencies that require attention with a ranking of importance. Some of these triggers can be scaled up or down to provide more or less work activities depending on current program objectives and capabilities. SWIG outreach activities can also have an impact that will increase triggers and SWIG work activities should be managed so that assistance can be provided as it is requested.

- **1.** Request from the NMED Secretary's Office: The Secretary/Governor/ regional representative often has questions, concerns or would like to understand the status of a particular water system. These assessments along with compliance determinations allow SWIG to express more information on the needs of a PWS to decision makers and should be addressed immediately.
- 2. **Direct requests from the water system**: SWIG can provide assessments and assistance by request especially in identifying the best path to resolving an issue at hand, such as a water shortage, compliance problems, water loss, low production, capacity deficiencies previously identified, etc. SWIG should respond to public water systems reaching out for assistance as soon as possible. If a system has a specific request for assistance a full assessment may not be necessary.
- 3. **Direct requests from outside agencies**: Sometimes water systems are given a referral to SWIG by an outside assistance agency or any agency working with water systems. After initiating the conversation with the water system, an assessment and assistance work plan could follow if the system is interested in receiving support from the program. SWIG should respond to both the outside agency and public water system as soon as possible. If an agency has a specific assistance request for a water system, a full assessment may not be necessary.
- 4. **EPA /DWB Enforcement:** EPA and DWB would like to understand the status of long-time non-compliers and the root causes of the water system's problems. The Enforcement Targeting Tool (ETT) report, list of current administrative orders (AO) and ETT tracker tools will help SWIG determine who should be assessed and provided assistance in order to return to compliance. The ETT list should be reviewed on a quarterly basis to identify new water systems out of compliance that need to be offered capacity development assistance.
- **5. Project Interest Form (PIF) Submittal**: Water systems that are interested in a DWSRF loan will need to have a full capacity assessment complete and an assistance work plan to address any capacity deficiencies. PIFs are submitted to the SWIM portal and are accepted year-round. DWB funding partners may request assistance for a system to submit a PIF and the Community Services Team will work with the system to meet funding application requirements. These capacity assessments are completed within 2 weeks of the water systems supplemental document submittal.
- **6. PWSS Compliance Program request**: These should be completed within 2 weeks of the request and primarily are the result of supplemental documents collected at a sanitary survey; but they may

include any recommendation of an issue. Capacity assessments as a resulting from issues identified during sanitary surveys are intended to broaden the baseline of capacity data beyond systems that may typically be triggered.

#### Capacity Control Point for Existing Systems

The existing system strategy also coordinates with PWSS programs and has added capacity minimum criteria as significant deficiencies in a sanitary survey. Without this addition, the request for water system documentation to complete a capacity assessment is voluntary for an existing water system. This additional control point was set by adding minimum capacity items as significant deficiencies and allows the minimum required capacity criteria to be part of a required corrective action plan under the Enforcement Program, as well as allowing the SWIG staff to complete a comprehensive assessment of what the system needs to accomplish in order return to meeting compliance standards for the long term.

#### Capacity Assistance Methods

The main assistance methods that SWIG performs, which are also included as the third party capacity development scope of work, are the following:

**Trainings:** SWIG staff and contractors provided a total of 85 free trainings for water system operators and board members in 2021 (39 classes), 2022 (32 classes), and 2023 (25 classes). The Group provided online training to continue to support the regulated community while the statewide health order was in place. Training resumed in person training once the order was lifted. Both online and in-person meetings have been well attended, the online option has increased the availability to water system personnel, making attendance easier. To supplement training offered by SWIG staff and contractors, the Bureau utilizes the website and GovDelivery listsery to advertise additional free trainings for board and operators.

Class topics included: impending regulatory changes, pump & motor maintenance, valve & hydrant maintenance, mechanical systems & valves, water treatment, water loss, rate setting, operator math basics, small water systems, operator test prep, RTCR, CCR, and asset management.

One of SWIG's goals to provide frequent high quality managerial and financial training across New Mexico that cover the credit hour requirements for both water system boards and operators. Training courses are marketed and offered to all types of public water systems.

**Direct assistance:** Direct assistance is provided to water systems to accomplish capacity assistance work plan objectives when returning systems to compliance on individual problems. These objectives are those that are defined as a result of the capacity assessment, which the PWS agrees to work on as a priority. Examples of direct assistance items are governing documents, operating budget, Source Water Protection Plan, Emergency Response Plan, or developing an operations and maintenance manual.

In the past few years, SWIG has utilized contracts with a number of assistance contractors which significantly increased SWIG's ability to provide assistance to systems. Work is prioritized so that any system requesting return to compliance assistance will receive assistance as soon as possible. Systems requesting assistance that is not considered for compliance such as rate studies or asset management plan development, will receive a capacity assessment prior to any assistance action. This is important because often systems will ask for help to meet a specific objective, such as a rate study for an infrastructure project, and may not have addressed identified compliance problems first. The completion of the capacity assessment allows SWIG to ensure compliance items are prioritized over noncompliance assistance issues.

Outreach events: SWIG's objective with regional outreach events is to provide a comprehensive picture of water system sustainability in regional outreach settings. Collaborative efforts of the DWB Assessment and Policy, Regionalization and Sustainability, Source Water Protection, and Capacity Support teams have been targeted to educate water systems of impending regulatory changes, capacity development, and resiliency. Presentations covered topics related to emergent contaminants, the Revised Lead and Copper Rule, source water protection, sustainable development, regionalization, and capacity building; all topics were focused on educating water systems to increase awareness of the regulatory landscape, identify funding options, and how to become a fundable water system. All SWIG also participates in all operator schools and conferences hosted by NM Rural Water Association and the NM Water and Wastewater Association by providing trainings. The Assessment and Policy Team within SWIG participates in the planning and trainings for the Infrastructure Finance Conference and completes and annual outreach by survey on community water systems' current rates for 6000 gallons of water, their production amounts and information on their AWWA water loss audit results when completed. In SFY 23, a number of conferences were attended and multiple seminars and trainings were hosted collaboratively with service providers.

Complaint Resolution: For the local government type, Mutual Domestic Water Consumer Association (MDWCA), NM Environment Department has been empowered to investigate the board's activities for compliance with the Sanitary Projects Act (SPA) requirements, more specifically that boards follow their rules, bylaws, and state law in their decision-making process. Current standard processes are in place for complaint resolution and if no resolution is made a legal request is made to the Department to make a determination on a violation of the SPA. SWIG has developed this further in the past few years, so that all water system and water customer complaints are funneled through this process and managed by the SWIG Community Services Team.

## SFY23 Capacity Development Activities, Target Audiences and Performance

Capacity assessment triggers are defined to address priority problems with water systems, specifically those that may impact public health and SDWA compliance. The capacity assessments are designed to be thorough but not overwhelmingly cumbersome for the water system and address specific

compliance requirements as well as raising the bar to drive systems beyond meeting requirements into developing long term goals and actionable plans to being sustainable water systems.

During the reporting period, SWIG completed seventeen (17) capacity assessments .Water systems that undergo a capacity assessment do so primarily to be considered for funding, not from the existing system control point strategy that utilizes capacity assessments during sanitary surveys. SWIG will continue to work with PWSS compliance priorities to return systems to compliance. The existing capacity assessment process will be reviewed to determine the optimal approach, which may include use of sanitary surveys as an opportunity to promote capacity assessments. .

During the reporting period the newly formed Capacity Support Team has had little progress related to AWOP activities as significant changes have been made through the reorganization. Programmatic goals and staff duties will be evaluated during SFY23.

The Regionalization and Sustainability Team continues to support the regionalization of small water systems through assistance to systems in collaboration and sharing of resources with their neighbors, as well as actual interconnections of water systems to be able to more cost effectively maintain the infrastructure and protect the sources of water. This team also encourages the sharing of system information through and annual statewide rate survey for community water systems.

Overall, DWB continues prioritizing and further implementing capacity development strategies and improvements in direct assistance provided for public water systems in New Mexico. The actions taken in recent years to revise and further develop the bureaus' capacity development programs has significantly improved the ability of the Drinking Water Bureau to be able to offer and target priority assistance effectively, to track assistance actions and report on the programs' performance.