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September 18, 2026

Stephanie Hung
Water Division - Groundwater and Drinking Water Section
U.S. Environmental Protection Agency, Region 10
1200 Sixth Ave., Suite 155, 19-C09
Seattle, WA 98101

Subject: Idaho DEQ Fiscal Year 2026 Annual Report on Capacity Development

Dear Ms. Hung:

Enclosed is the annual report on Idaho's Drinking Water Bureau capacity development efforts for state fiscal year 2026 (July 1, 2025, through June 30, 2026).

The Idaho Department of Environmental Quality continues to support the capacity development program because enhancing the technical, financial, and managerial capabilities of the state's drinking water systems is essential to a safe public water supply.

Sincerely,

Dustin White
Capacity Development Coordinator

CS:ef

Enclosure

Capacity Development Implementation Report to the US Environmental Protection Agency

State Fiscal Year 2026



State of Idaho

Department of Environmental Quality

September 2026

Prepared by
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Abbreviations, Acronyms, and Symbols

DEQ	Idaho Department of Environmental Quality
EPA	US Environmental Protection Agency
CCR	Consumer Confidence Report
DEQ	Idaho Department of Environmental Quality
DWSRF	Drinking Water State Revolving Fund
EPA	US Environmental Protection Agency
HAB	Harmful Algae Bloom
MCL	Maximum Contaminant Level
PWS	Public Water System
RTCR	Revised Total Coliform Rule
TFM	Technical, Financial, and Managerial
FY	Fiscal Year

1 Introduction

The Idaho Department of Environmental Quality's (DEQ's) Drinking Water Bureau implements the state's capacity development program. The following annual capacity development implementation report describes capacity development efforts during state fiscal year 2026 (July 1, 2025–June 30, 2026). This report contains the required United States Environmental Protection Agency (EPA) reporting elements for the annual state capacity development program implementation report.

Capacity development program accomplishments are funded with set-aside monies from the EPA Capitalization Grant of the Drinking Water State Revolving Fund.

Infrastructure assets, reliability in operation, management, and cost-effective long-term sustainability require a sustained and collaborative technical assistance effort. DEQ is responsible for implementing the state's drinking water capacity development strategy. In 1998, the DEQ Director appointed the Drinking Water Advisory Committee to determine the status of Idaho's public water systems (PWSs) and to make recommendations for improving system capacity to deliver safe drinking water to Idaho citizens. In 1999, the Drinking Water Advisory Committee issued a report listing its findings and recommendations, which helped to establish the state's capacity development strategy.[1] The report of findings is available upon request. As a result of the Drinking Water Advisory Committee findings, DEQ published *A Strategy for Improving the Financial, Technical, and Managerial Capacity of Idaho's Public Drinking Water Systems* in July 2000. Capacity development is recognized as being a key component of the State's core drinking water program and assistance is available to any water system that has a need and is willing to work with DEQ or its partners in achieving compliance.

To better accommodate the changing work environment and increase convenience to water system personnel, efforts have been made to provide additional web-based resources, Teams trainings and meetings, and phone and email communication.

Idaho's Capacity Development Strategy was updated, and approved by EPA in 2022, to include a description of how asset management will be promoted as per the requirements of America's Water Infrastructure Act. The strategy is intended to meet regulatory requirements of the Safe Drinking Water Act while providing a flexible framework to enhance public health protection, provide accountability, and assist water system personnel with targeted assistance.

[1] *Report of Findings: On Improving the Technical, Financial, and Managerial Capacity of Idaho's Public Water Systems*, Drinking Water Citizens Advisory Committee to the Idaho Department of Environmental Quality, September 1998. EDMS Record Number 2018ABI28.

2 New Systems Program Annual Reporting Criteria

1. Has the State's legal authority (statutes/regulations) to implement the New Systems Program changed within the previous reporting year? If so, please explain and identify how this has affected or impacted the implementation of the New Systems Program (additional documentation, such as an Attorney General (AG) statement or a statement from a delegated department attorney, may be required.) If not, no additional information about legal authority is necessary.

Idaho's legal authority to implement the New Systems Program has not changed. Idaho Code Section §39-118, requires that prior to constructing, extending, installing, or operating a public water system; plans must be submitted to the Department and approved in writing. The "Idaho Rules for Public Drinking Water Systems," IDAPA 58.01.08.500 addresses capacity requirements for public water systems.

2. Have the state's control points ever been modified? If so, describe the modifications and any impacts these modifications have had on implementation of the New Systems Program. If not, no additional information on control points is necessary.

The State's control points have not been modified.

3. List new systems (PWS ID and name) established in the state within the past three years and indicate whether those systems have been on the enforcement targeting tool (ETT) list during their first three years of operation.

A total of three new Non-Transient Non-Community (NTNC) public water systems were established in Idaho during the past three state fiscal years, as summarized in Table 1. Of these, no new Community systems were established in the last three fiscal years. The three NTNC systems were established over the reporting period: none in FY 2024, two in FY 2025 and one in FY 2026. Among the three newly established systems, none received an Enforcement Targeting Tool (ETT) score of 11 or higher within their first three years of operation, indicating early compliance challenges.

Table 1: New active Community and Non-Transient Non-Community public water systems established during State Fiscal Years 2024, 2025, and 2026, including Enforcement Targeting Tool (ETT) history.

PWS #	PWS Name	System Type	Activity Date	ETT History	
ID3440036	AFC FINISHING SYSTEMS	NTNC	01-Jul-23	NO	FY2024
ID3140278	NORTHSTAR SUBDIVISION	C	02-Oct-23	NO	
ID4010273	KUNA EAST	NTNC	01-Oct-24	NO	
ID4200110	PACIFIC STEEL AND RECYCLING #50	NTNC	15-Nov-24	NO	FY2025
ID1280360	IDAHO LIGHT INDUSTRIAL	NTNC	12-Mar-25	NO	
ID4010272	CITY OF EAGLE - AVIMOR	C	07-Apr-25	NO	
ID4010271	CITY OF EAGLE - VALNOVA	C	03-Nov-25	NO	
ID3140281	HORIZON RIDGE SUBDIVISION	C	27-Jan-26	NO	FY2026
ID5420111	INDEPENDENT MEAT	NTNC	13-May-26	NO	
ID6060128	GRAIN CRAFT	NTNC	15-May-26	NO	

2.1 New Systems Capacity Demonstration

The "Idaho Rules for Public Drinking Water Systems," IDAPA 58.01.08.500 require that owners of new PWSs demonstrate technical, financial, and managerial, (TFM) capacity. Engineering documents include a facility plan, preliminary engineering report, demonstration of technical, financial, and managerial capacity and plans and specifications. Section 500 of the Drinking Water Rules provides facility and design standards for the demonstration of TFM capacity of public drinking water systems. DEQ coordinates with local management, developers, and utilities to ensure capacity development requirements are being met.

Capacity Development for new community water systems also includes water systems that are developed to provide cost-effective solutions to existing public health problems such as unsafe individual wells or surface water sources within a specific geographic area. These water systems can receive Drinking Water State Revolving Funds to assist with planning and construction. These water systems are subject to the facility and design standards in IDAPA 58.01.08.500-548.

2.2 Engineering Assistance

DEQ reviews the TFM aspects of new PWS plans and specifications. A portion of this review is funded by the State Revolving Fund 2% Technical Assistance Set-Aside Grant. The list of items required to be submitted for review includes:

- Facility Plans
- Preliminary Engineering Report
- Operation & Maintenance Manual
- Well Site Evaluation
- Well Completion Report
- Technical, Financial and Managerial Capacity Documentation

2.3 Technical Assistance

New water systems are assigned a public water system number that corresponds to the regional office that has jurisdiction over the water system. Additional assistance for new water systems includes:

- Monitoring Schedules
- System Classification Requirements
- Operator Licensing Information
- Water System Inventory Information

3 Existing Systems Strategy

DEQ continues to provide ongoing TFM training and technical assistance to owners and operators of Idaho's small public water systems. For the reporting period ending June 30, 2026, Idaho had 2,004 active public water systems, as shown in Figure 1. Based on EPA's classification of drinking water systems,[2] 97% of Idaho's PWSs are classified as small or very small. Of the 2,004 systems, 1,755 (88%) are very small, 181 (9%) are small, 33 (2%) are medium, 24 (1%) are large, and 3 (0.1%) are very large. An additional 8 systems (0.4%) serve fewer than 25 people. These data are presented in Table 2 and Figure 2.

[2] EPA size classifications for public water systems:

- Very small water systems serve 25–500 people.
- Small water systems serve 501–3,300 people.
- Medium water systems serve 3,301–10,000 people.
- Large water systems serve 10,001–100,000 people.
- Very large water systems serve 100,001+ people.

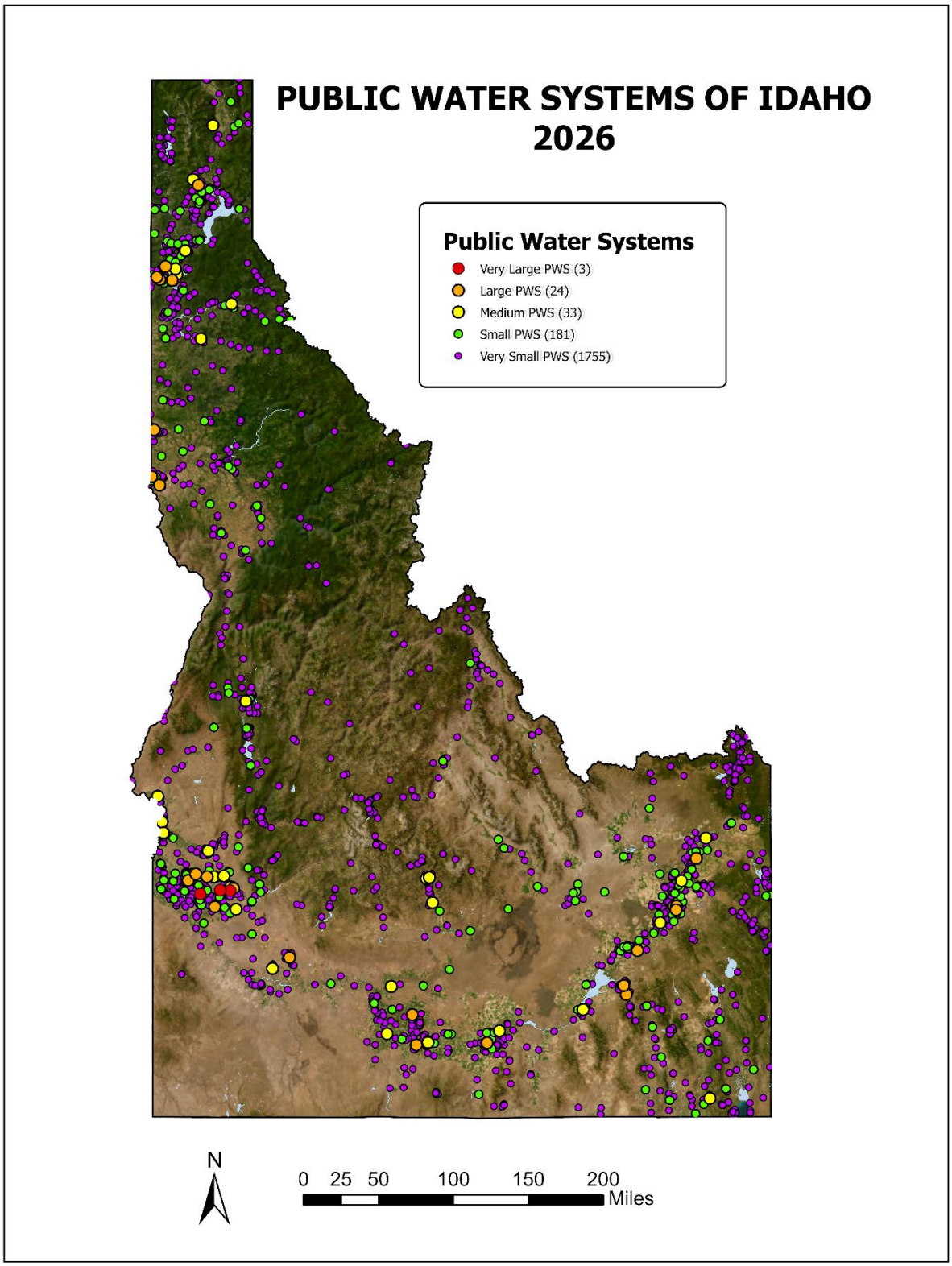


Figure 1: Public water systems in Idaho serving 25 or more people, 2026. Eight additional systems serving fewer than 25 people are not shown. Idaho regulated 2,004 public water systems at the end of FY 2026.

Table 2:Count of Idaho drinking water systems based on EPA size classes

EPA Size Class	PWS Count	Percentage (%)
Populations < 25 Served	8	0.4
Very Small Water System (VSWS)	1755	88
Small Water System (SWS)	181	9
Medium Water System (MWS)	33	2
Large Water System (LWS)	24	1
Very Large Water System (VLWS)	3	0.1
Total Systems	**2004**	**100%**

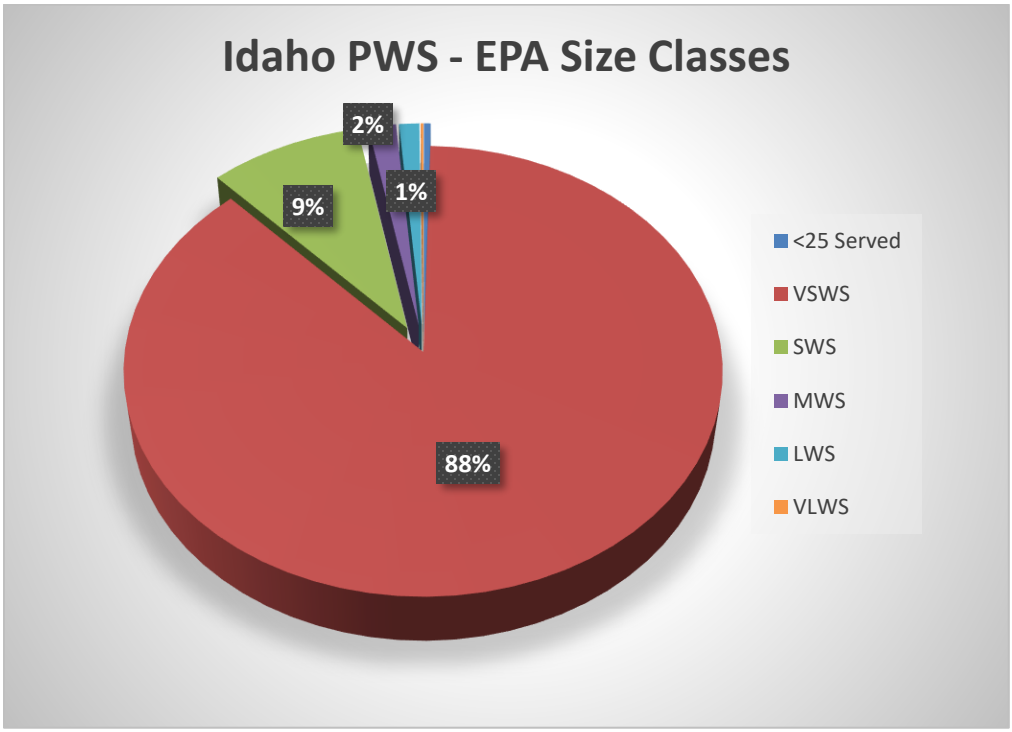


Figure 2: Percentage of each EPA system type for Idaho as of June 30th, 2026.

1. In referencing the State's approved existing systems strategy, which programs, tools, and/or activities were used, and how did each assist existing PWS's in acquiring and maintaining TMF capacity? Discuss the target audience these activities have been directed towards.

3.1 Technical and Compliance Assistance

DEQ Regional Office and District Health Department Drinking Water Staff – One avenue of disseminating information is through drinking water staff in DEQ's six regional offices and six

district health departments. One-on-one contacts are an effective method of assisting system operators. DEQ regional offices are in the following cities throughout the state:

- Boise
- Coeur d'Alene
- Idaho Falls
- Lewiston
- Pocatello
- Twin Falls

Six of Idaho's District Health Departments, listed below, are contracted by DEQ to provide technical assistance to small public water system owners and operators across the state. Very small system owners are most challenged by Safe Drinking Water Act requirements because they typically depend on volunteer or part-time operators and have limited financial resources.

1. Panhandle Health District
2. Public Health–Idaho North Central District
3. Southwest District Health
4. Central District Health
5. South Central Public Health District
6. Southeastern Idaho Public Health

3.2 Public Water System Switchboard

The public water system switchboard (Figure 3) located at https://www.deq.idaho.gov/pws-switchboard provides water system owners and operators with links to rules and checklists to assist in the preparation of plans and specifications, public notification templates, sanitary survey forms, drinking water system classification requirements, operator licensing, and more.

Resources available on the public water system switchboard in include:

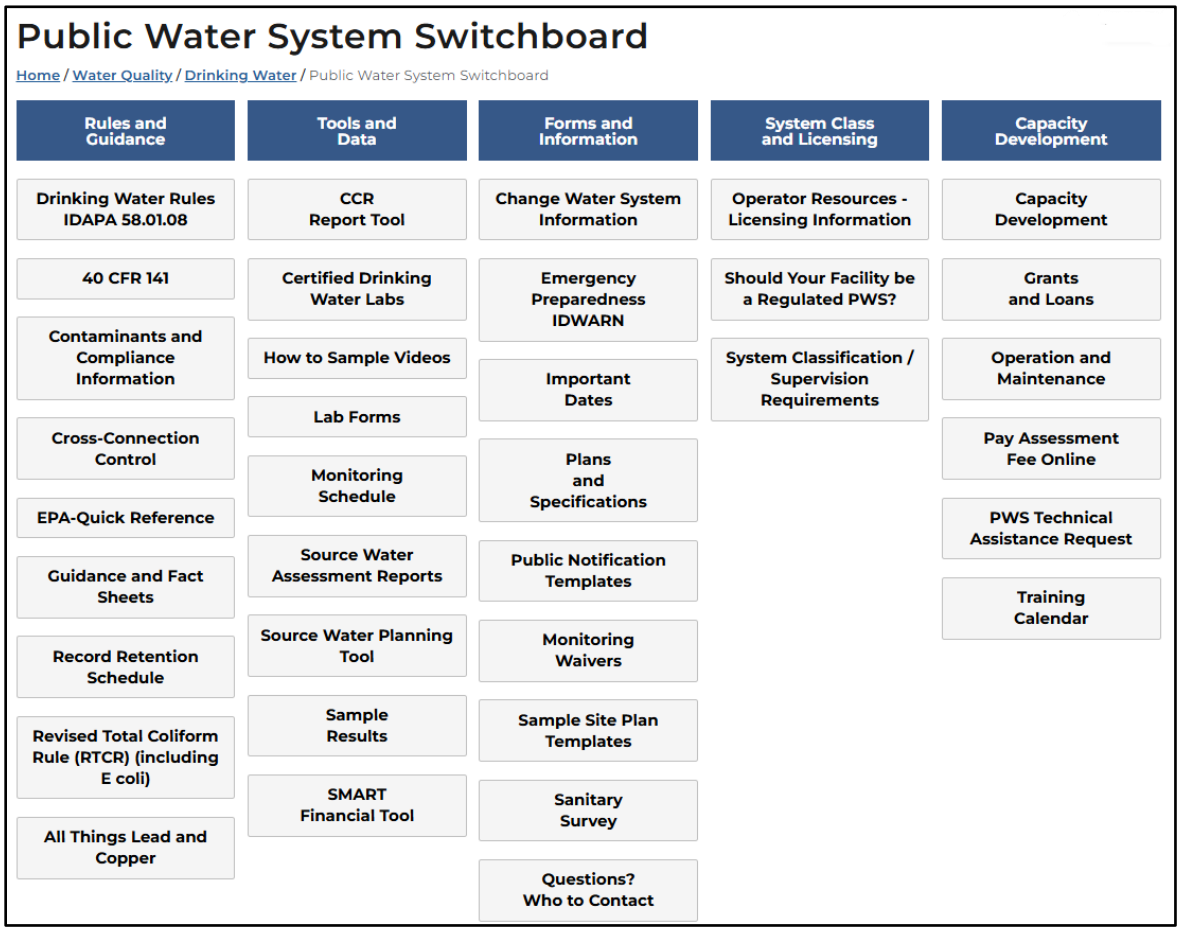


Figure 3: Public Water System Switchboard. The Switchboard is designed to help public water system stakeholders navigate the DEQ website, locate compliance resources, and access information that supports system capacity development.

Rules and Guidance

Drinking Water Rules - IDAPA 58.01.08 – Provides direct access to the current Idaho Rules for Public Drinking Water Systems, including the latest adopted rule and legislative ratification. These rules establish the minimum regulatory requirements for the design, construction, operation, monitoring, reporting, and compliance of Idaho's public water systems. They serve as the primary regulatory framework for implementing both Idaho and applicable federal Safe Drinking Water Act requirements.

40 CFR 141 – Offers direct access to the federal drinking water regulations established under the Safe Drinking Water Act. These regulations establish national health-based standards for drinking water quality and specify requirements for public water system monitoring, treatment, reporting, and compliance to protect public health.

Contaminants and Compliance Information – Information is available on both regulated and unregulated contaminants.

- Regulated:
  Health advisory and regulatory information is available for the following contaminants and contaminant groups: arsenic, coliform bacteria, fluoride, lead, nitrate, disinfection byproducts, PFAS, and the microbial pathogens Cryptosporidium and Giardia associated with surface water treatment.

- Unregulated Contaminants:
  Drinking water health advisories are posted for Blue-Green Algae and Harmful Algae Blooms (HABs) and manganese. Health advisories are non-enforceable technical guidelines to provide information on contaminants that can cause human health effects and are known (or anticipated) to occur in drinking water.

Cross-Connection Control – Presents guidance and resources to help public water systems understand cross-connections, implement backflow prevention, and develop and maintain a cross-connection control program.

EPA-Quick Reference – Contains EPA quick reference guides for federal drinking water regulations, helping public water systems understand treatment, monitoring, sampling, reporting, and operational requirements necessary to maintain compliance with the Safe Drinking Water Act.

Guidance and Facts Sheets – Provides technical assistance resources such as DEQ guidance documents, fact sheets, memoranda, and policy information to assist public water systems in interpreting regulatory requirements and implementing Idaho drinking water rules.

Record Retention Schedule – This information provides water system operators and owners with the required retention schedule for public water systems, including monitoring data, compliance records, sanitary surveys, corrective actions, and reporting documentation. This document supports technical and managerial capacity by helping public water systems maintain accurate compliance records, demonstrate regulatory compliance, and improve preparedness for inspections, sanitary surveys, and enforcement reviews.

Revised Total Coliform Rule (RTCR) (including E coli) – This link provides water system operators and owners access to seasonal start-up procedures, TCR sample siting plan requirements, and assessment forms to evaluate potential sanitary defects following a total coliform positive triggering event.
All Things Lead and Copper – Resources for the lead and copper rule, lead and copper rule revisions, and lead and copper rule improvements rule are currently available under the Contaminants and Compliance Information button. The link includes rule information, templates regarding lead and copper sampling protocols, sample site selection, and consumer

notifications of lead tap results and public education templates. A link regarding lead in school drinking water, which contains health risk information, free testing information for public schools, and EPA's 3Ts guidance is found under the Grants and Loans button on the PWS Switchboard.

Tools and Data

Consumer Confidence Reports (CCR) Report Tool – The CCR reporting tool links owners and operators to water system sample results and violation history report to assist in preparation of their CCR. Information is provided regarding electronic report delivery and a link to EPA's CCR iWriter. The CCR report tool includes reporting requirements under the RTCR. System owners who do not have access to a computer or the internet can contact DEQ to receive hard copies of the CCR templates, instructions, and a listing of the system's violations and detections by mail.

Certified Drinking Water Labs – The Idaho Drinking Water Testing and Certification Program ensures that drinking water samples are analyzed by certified laboratories using approved methods, providing accurate and reliable compliance data for public water systems. This supports Idaho's Capacity Development Program by strengthening technical capacity, ensuring PWSs have the information needed to demonstrate compliance, make informed operational decisions, and plan necessary infrastructure improvements.

How to Sample Videos – Provides practical drinking water sampling training videos that help public water system operators properly collect compliance samples. These resources enhance operator knowledge and support effective monitoring practices, helping public water systems maintain reliable data and meet drinking water regulatory requirements.

Lab Forms – This application can be used by system operators or owners to produce laboratory request forms. The application uses data in the state drinking water database to identify samples that are due during the current year.

Monitoring Schedule – Water system operators and owners can easily review their current year monitoring requirements with this application. The report identifies if the monitoring requirement has been satisfied once the sample has been entered into the Safe Drinking Water Information System.

Source Water Assessment Reports – The Source Water Assessment Online Tool provides public access to completed Source Water Assessments for Idaho public water systems, including delineated source protection areas, identified potential contaminant sources, and source susceptibility information. The tool supports informed decision-making by helping utilities understand drinking water source vulnerabilities, improve source protection planning, and identify actions that promote long-term water supply reliability and proactive risk management.

Source Water Planning Tool – The Source Water Protection Planning Tool provides public water systems with resources to develop and manage source water protection plans by identifying potential contamination sources, evaluating risks to drinking water supplies, and documenting protection strategies, management actions, and implementation activities. The tool supports effective system planning and decision-making by helping utilities proactively manage source water risks, strengthen operational practices, and reduce potential future water quality, compliance, and infrastructure challenges.

Sample Results – Public Water System monitoring results are available online through DEQ's public version of Drinking Water Watch.

SMART Financial Tool – This tool is designed to assist water systems with assessing their overall financial health. The tool prompts system personnel to enter information regarding their revenues, expenses, assets, liabilities, debt, and reserves. Once the information is entered, the final screen has a set of dials which move to reflect the "financial health" of the water system. The application can be used to demonstrate the technical, financial, and managerial requirement of revenue sufficiency, satisfy the financial capacity checklist question in the sanitary survey, and assist with SRF Loan Underwriting.

Forms and Information

Change Water System Information – This password-protected interface allows public water system stakeholders to review and verify their system's population, service connections, and contact information maintained by Idaho DEQ. The tool supports accurate regulatory records, effective communication, and reliable management of public water system information.

Emergency Preparedness IdWARN – This site includes links to resources on emergency response plans, resiliency, drought, earthquakes, flooding, wildfires, power outages and emergency generators.

Important Dates – This document, developed by DEQ, provides a consolidated annual reference of key regulatory deadlines, reporting requirements, monitoring schedules, funding opportunities, and compliance milestones applicable to public drinking water system owners and operators. Maintaining awareness of these activities supports proactive regulatory compliance and helps align capital development planning with funding cycles, infrastructure needs, and project implementation timelines, improving project readiness and minimizing potential delays.

Plans and Specifications – This resource provides engineering and development guidance for public water systems, including information related to project planning, design requirements, permitting, and technical review processes. It supports effective infrastructure planning and implementation by helping systems and engineering professionals meet regulatory requirements and develop sustainable water system improvements.

Public Notification Templates – Templates are available for required RTCR tier 1 and 2 notifications, lead and copper, loss of pressure and non RTCR tier 1, 2, and 3 notifications. Links are available to templates for cyanotoxins in finished drinking water above the health advisory and manganese. The loss of pressure public notification includes an informational advisory (no boil water requirement) and a do not drink advisory.

Monitoring Waivers – DEQ is developing two applications that will automate the monitoring waiver submittal and review process. The monitoring waiver submittal application allows candidates to answer questions and submit information for each active permanent source that is eligible for monitoring waivers. The monitoring waiver review application takes the submitted data from the applicant and generates an approved or denied response with a reason(s) for denial determination. The waiver determinations are based on applicant data, SDWIS sampling history, SDWIS violation history, or source water assessment scores. Waiver denial determinations can be overridden with justification from the compliance officer. Once monitoring waiver determinations are finalized for each active permanent source, a letter will be auto generated and sent to the public water systems owner/operator. This new process will produce efficiency through consistency and standardization. This application is currently being piloted with our DEQ Boise Regional Office and we hope to move it to statewide production in July of 2025.

Sample Site Plan Templates – Water system operators are required to have sample site plans for coliform sampling, lead and copper, and disinfection byproducts. A link is available that takes water system operators directly to templates and instructions for completion of these required sample site plans.

Sanitary Survey – This resource provides information on sanitary surveys, including their purpose, scope, and regulatory requirements. It helps public water system stakeholders understand how sanitary surveys evaluate system operations, infrastructure, and management practices, supporting informed decision-making and continuous system improvement.

Questions? Who to Contact – This lookup tool allows public water systems to identify their assigned DEQ Drinking Water Compliance Officer, facilitating timely communication and assistance with drinking water compliance and regulatory questions.

System Class and Licensing

Operator Resources – Licensing Information – This resource provides information and guidance for drinking water operators on certification, licensing, continuing education, training opportunities, and operator workforce resources, including operator searches and operators available for hire. It supports public water systems by helping maintain qualified operators, facilitating compliance with operator certification requirements, and providing access to supplemental operator resources when needed.

Should Your Facility be a Regulated PWS – This DEQ guidance document describes the criteria used to determine whether a facility is regulated as a public water system (PWS) under Idaho and federal drinking water regulations. It defines the three public water system classifications and summarizes the associated regulatory requirements, including engineering review, water quality monitoring, and operator certification. The document serves as a reference for understanding regulatory applicability and associated compliance obligations during system planning and development.

System Classification / Supervision Requirements – This application produces real time system classifications based on DEQ's Safe Drinking Water Information System database. Once a public water system's information has been placed into the drinking water database, system classifications will automatically be generated through this automated "System Classification Worksheet" application.

Capacity Development

Capacity Development – This resource provides information and guidance on Idaho's Capacity Development Program, including program requirements, annual and triennial reports, EPA capacity development resources, and tools to improve public water system technical, managerial, and financial capacity. The page provides access to resources related to asset management, cybersecurity, source protection, and water loss control to support effective system management, regulatory compliance, and long-term infrastructure sustainability.

Grants and Loans – This resource provides public water systems with information on available DEQ funding opportunities, including grants, loans, and financial assistance programs. It supports effective system planning and infrastructure improvements by helping systems identify funding sources, understand application processes, and access resources needed to address operational, compliance, and long-term sustainability needs.

Operation and Maintenance – This resource provides guidance and tools for developing and maintaining effective operation and maintenance (O&M) practices, including O&M manuals, training resources, and checklist tools. These resources help public water systems establish consistent operating procedures, support knowledge transfer among staff, and improve system reliability, management practices, and long-term sustainability.

Pay Assessment Fee online – This online payment portal allows public drinking water systems to electronically submit annual assessment fees, supporting efficient regulatory compliance and effective system administration.

PWS Technical Assistance Request – This resource provides public drinking water systems with a direct contact to DEQ's Capacity Development Coordinator for assistance with technical, managerial, and operational challenges. The coordinator helps connect systems with

appropriate resources and guidance to support compliance, system improvement, and long-term sustainability.

Training Calendar – This training calendar provides a centralized listing of drinking water training events offered by DEQ and partner organizations, including opportunities for operator certification and continuing education (CEUs). The calendar helps public water system owners, operators, and other stakeholders identify training that supports professional development, maintains operator certification, and enhances technical and regulatory knowledge.

3.3 Additional Assistance

Auto Dialer – DEQ provides automated email reminders to owners and operators of PWSs to inform them of upcoming sampling deadlines. Reminders are sent for chemical monitoring (excluding RADS), lead/copper, RTCR (Quarterly), Unaddressed Significant Deficiencies, Public Notifications, RTCR seasonal start up procedures and lead consumer notification at homeowner's taps. This low-cost, high-impact activity has resulted in a significant reduction in failure-to-monitor violations.

Seasonal Start-Up – Seasonal water system operators were sent a reminder postcard regarding their seasonal start up procedures. The seasonal start-up checklist is now an electronic application and submittal. It is available on the PWS Switchboard under the Revised Total Coliform Rule button.

3.4 Grants and Loans

Information and solicitation for Letters of Interest are sent annually to PWSs and consulting engineers for planning grants or DWSRF loans with DEQ. Systems that submit Letters of Interest get on a priority list for the upcoming fiscal year. As funding becomes available, Idaho DEQ invites eligible applicants to submit a complete application. Applications undergo engineering, financial, environmental, and regulatory review. Projects meeting all applicable requirements are approved for funding, and a loan or grant agreement is executed. A summary of applications is provided in Table 3.

Table 3: Idaho DEQ Drinking Water Funding Applications Summary – FY26

Funding Category	PWSs on Fundable List	PWSs That Opted-Out	Loan Applications Accepted
Facility Planning Grants	10	1	9
State Revolving Funds Construction Loans	12	3	9
Emerging Contaminants Loans	3	0	3
Lead Service Line Replacement Loan	6	4	2
Lead Mitigation Loan	2	0	2
Emergency Funding Loan	N/A	N/A	1
Legislative Supplemental Funding (State Funds)	N/A	N/A	1
Total	**33**	**8**	**27**

The Planning Grant Program provides assistance to eligible public drinking water systems for facility planning projects designed to ensure safe and adequate supplies of drinking water. Grants awarded under this program are used to develop engineering reports identifying the most cost effective, environmentally sound method of upgrading a public drinking water system to achieve and maintain compliance with state and federal standards. Grants cover up to 50% of eligible planning costs, with a matching share funded by local sources. In SFY 2026, DEQ approved 10 drinking water planning grants.

DEQ's DWSRF provides below-market-rate interest loans to help repair or build new drinking water facilities. The Safe Drinking Water Act allows states to establish a DWSRF program to assist public drinking water systems with financing infrastructure upgrades needed to protect public health and achieve and maintain compliance with the Safe Drinking Water Act requirements. The DWSRF authorizes grants to states to capitalize revolving loan funds. A revolving loan is a self-replenishing pool of money, using annual Federal capitalization grants, investment earnings, and interest and principal payments on old loans to issue new loans. In SFY 2026, DEQ awarded 13 loans to drinking water systems. A total of 3 Emerging Contaminants Loans were awarded in FY26 to support projects addressing PFOA/PFAS and other EPA-designated emerging contaminants through treatment and infrastructure improvements. To reduce lead exposure in drinking water, Idaho DEQ awarded 5 Lead Service Line Replacement (LSLR) Loans and one Lead Mitigation Loan. Additionally, 1 Emergency Funding Loan was awarded. The State of Idaho also utilized Legislative Supplemental Funding, a $10 million appropriation provided by the Governor's Office to DEQ, resulting in 2 funded Drinking Water projects.

Source Water Protection Grants funding during SFY 2026 is summarized in Table 4. These grants included 6 newly awarded Source Water Protection subgrants. Additionally, 15 existing subgrants were extended through no cost administrative amendments. Throughout the fiscal year, 31 subgrants from previous funding cycles were actively managed, including progress tracking, technical and administrative coordination, compliance oversight, and grant closeout. activities. A total of $492,611 in grants were selected for funding. The grant money comes from the State Revolving Fund wellhead protection program which i

a Bipartisan Infrastructure Law set-aside that can be used for activities that lead to the reduction in risk of contamination of a drinking water source. Projects funded included fencing and security cameras, Aquifer Numerical Model for Enhanced Contaminant Delineation, well abandonment, education and outreach, and other security improvements at wellhouse/intakes.

Table 4: DEQ Drinking Water Funding awarded FY26 for source water protection projects.

Funding Category	Count of Subgrants Awarded
New Source Water Protection subgrants	6
Extended via no cost amendments	15
Continuing Source Water Protection subgrants	31
Total SWP Active Subgrants	**52**

3.5 Engineering Review for Existing Systems

In state fiscal year 2026, DEQ completed reviews of 855 projects related to drinking water capacity. These projects included reviews of:

- Facility Plan, Master Plans, Comprehensive Plan
- General Report/Study
- Operation and Maintenance Manual
- Plan and Specification Submittal
- Preliminary Engineering Reports
- Plans and Specifications approved by a Qualified Licensed Professional Engineer
- Record drawings
- Standard Specifications
- TFM Capacity Documentation
- Request for waiver of IDAPA facility and design standard-related rules (IDAPA 58.01.08.500-548)
- Well completion report
- Public Drinking Water System Well Site Evaluation

2. Based on the existing system strategy, how has the State continued to identify systems in need of capacity development assistance?

Compliance data, sanitary survey information, and the Enforcement Tracking Tool are utilized to identify public water systems in greatest need of capacity assistance. DEQ also conducts Level 2 Site Assessments. These assessments are used to identify sanitary defects or issues that led to the violation and recommend corrective actions to resolve the issue. During SFY 2026, a total of 80 water systems required a Level 2 Assessment illustrated in Table 5. This included 70 multiple total coliform positive level 1 violations, 1 insufficient repeats (LVL2 TTT MCL Insufficient Repeats), or MCL violations. Lastly, there were 9 Level 2 Assessments (LVL2 TTT MCL

POS Samples) for MCL violations and the assessments were completed by staff during the reporting period.

Table 5: Level 2 Assessment triggers for public water systems during FY26 by SDWIS database event code.

PWS Count	Database Code	Description
58	LVL2 TTT Multiple TC+ 2nd LVL 1-12 MN	Second Level 1 assessment trigger within a rolling 12-month period.
12	LVL2 TTT TC+/EC- WO RPTS 2ND LVL 1-12 MN	Second Level 1 assessment trigger within a rolling 12-month period following a total coliform-positive event with missing repeat samples.
1	LVL2 TTT MCL Insufficient Repeats	E. coli maximum contaminant level (MCL) violation due to insufficient required repeat samples.
9	LVL2 TTT MCL POS Samples	E. coli maximum contaminant level (MCL) violation based on positive sample results.

3.6 Sanitary Surveys

Comprehensive sanitary surveys continue to be a fundamental public health protective tool for assessing, evaluating, and documenting the TFM capacity of PWSs throughout the state. DEQ is responsible for Idaho's statewide sanitary survey program. To support program implementation, DEQ contracts with six of Idaho's seven district health departments (DHDs) within Idaho's public health districts (PHDs) to conduct sanitary surveys of smaller public water systems. The jurisdictions of DEQ's Regional Offices and participating public health districts are shown in Figure 4. The agencies responsible for conducting sanitary surveys include the following DEQ Regional Offices: Coeur d'Alene (CRO), Lewiston (LRO), Boise (BRO), Twin Falls (TFRO), Pocatello (PRO), and Idaho Falls (IFRO); and Public Health Districts: Panhandle Health District (PHD1), Public Health - Idaho North Central District (PHD2), Southwest District Health (PHD3), Central District Health (PHD4), South Central Public Health District (PHD5), and Southeastern Idaho Public Health (PHD6).

The surveys assist owners and operators in both short-term and long-term planning activities associated with their systems. Sanitary surveys are completed through a partnership-based effort between DEQ Regional Offices and Idaho public health districts, with both entities providing oversight and support to ensure compliance with drinking water regulations and protection of public health. In SFY 2026, DEQ and partners conducted 431 sanitary surveys.

These surveys are also used to coordinate assistance between DEQ and third-party service providers such as the Idaho Rural Water Association and Rural Community Assistance Corporation. These collaborative efforts have become increasingly important to leverage limited resources among organizations for the collective benefit of the public.

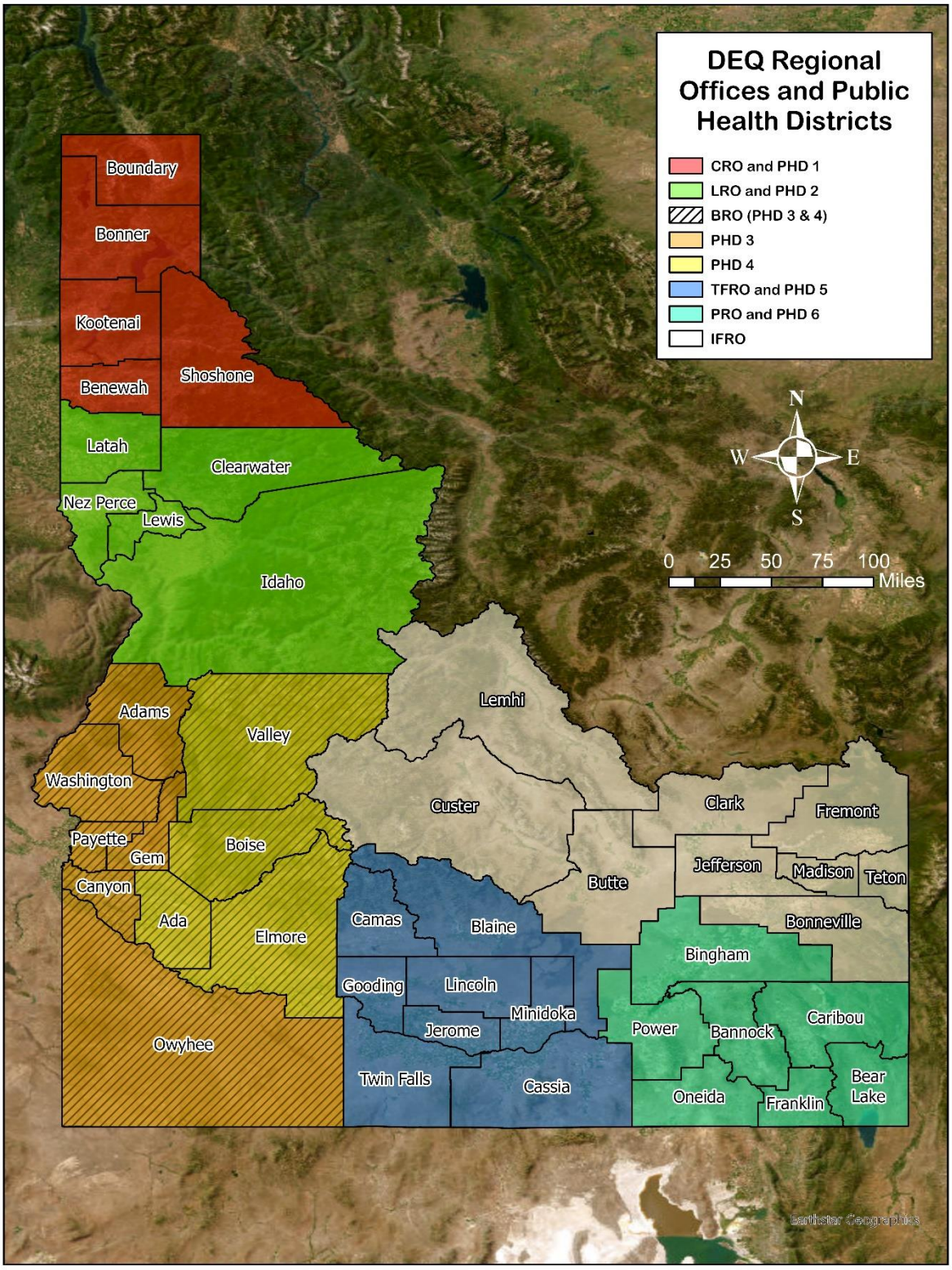


Figure 4: Jurisdiction of DEQ Regional Offices and Idaho Public Health Districts (PHDs) providing coordinated oversight of public water system operations.

3.7 Sanitary Survey Procedures

DEQ has moved to an electronic sanitary survey format. This format maintains consistency of inspections across the state and results in a more efficient, time-saving report. The sanitary survey process is backed by the enforceability of the rule requirements to ensure the protection of public health.

Highlights of the sanitary survey form are listed below:

- The sanitary survey form incorporates a comprehensive review of a system's technical, financial, and managerial capacity. The financial/managerial module in the electronic sanitary survey has been enhanced to collect information to be used to better assess water system capacity.
- The sanitary survey form, automatically identifies "significant deficiencies" "deficiencies", and "recommendations"
- The field checklist is generated based on the information entered in SDWIS. All questions on the form are required to be answered and any changes to the auto-generated deficiencies require an explanation as to why the deficiency is not applicable to the system.
- Each question has an associated report statement that will be automatically placed into the report template for more efficient report generation.
- All significant deficiency report statements have a "Potential Health Risk" statement for clarification as to why the significant deficiency constitutes a public health threat.
- Deficiencies have a "Purpose" statement to further clarify the purpose of the deficiency.
- The inspector adds or updates a narrative description of the water system. The cover letter, report and any deficiencies and recommendations are then auto generated and sent to the water system.

3.7.1 Online Sanitary Survey Inspection Form

To assist system owners and operators in preparing for their sanitary survey, the "State of Idaho Public Water System Sanitary Survey" form used by state inspectors is available on DEQ's Public Water System Switchboard.

Having this form available online provides increased transparency to the inspection process and enables system owners or operators to collect data in advance that they might not otherwise have available in their daily operations. The sanitary survey form also standardizes the nature of the inspection, thereby ensuring all systems are held to the same standard regardless of system location or inspector and decreases the time necessary to complete the inspection for both the inspector and the water system representative.

Inspectors encourage system operators to conduct self-inspections of their systems with these forms. Using this form has allowed operators to correct deficiencies in advance of the inspector's arrival at the system. This demonstrates the educational value of the self-inspection process.

Continuing Education Units (CEUs) are offered to operators of systems classified as "Very Small", "Distribution 1", "Distribution 2", and "Treatment 1". Water system owners and operators who complete limited pre-inspection "homework" activities, actively participate in the sanitary survey, and follow up corrective actions of deficiencies are provided CEUs. The opportunity to receive CEUs helps operators maintain their licensure requirements. In SFY 2026, 39 Sanitary Survey CEU certificates were issued.

3.7.2 Preliminary Inspection Findings Form

The Preliminary Inspection Findings Form allows sanitary survey inspectors to leave a list of identified deficiencies with system operators so they can begin to make corrections immediately. At the bottom of the form, a section is provided where operators can request "Free Technical Assistance" from third party service providers. This allows the operator to get help in the following areas: financial management, specialized training, technical assistance, system operation, and source water protection. A total of 60 water systems requested assistance through this process and the Preliminary Inspection Findings Forms were provided to the following third-party service providers:

- Idaho Rural Water Association (IRWA)
- Rural Community Assistance Corporation (RCAC)

3.7.3 Sanitary Survey Significant Deficiency Tracking

Significant deficiencies identified during a sanitary survey are entered and tracked in the SDWIS database. A compliance schedule is created in SDWIS with due dates by which the significant deficiencies must be addressed. We utilize our Auto Dialer to send phone calls and emails to Public Water System personnel as the due date is nearing. The data collected assists DEQ staff in recognizing frequently identified significant deficiencies and allows us to direct technical assistance where needed.

3.8 Enforcement Tracking Tool

Water systems on the Enforcement Tracking Tool receive various assistance actions. The technical assistance provided included one or more of the following:

- Contacting the owner/operator by phone for technical assistance.
- Providing the owner/operator a tutorial of our Public Switchboard (*Idaho DEQ's hub of all Drinking Water Information: Rules, Monitoring Schedules, Lab Forms, Drinking Water Watch, Training Calendar, etc.*). This allows the operator to obtain information about various DEQ programs, access to state and federal regulations and policies, and downloads of instructional aids.
- Performing a site visit to evaluate system operations or to conduct Revised Total Coliform Rule (RTCR) assessments.
- Providing the operator with technical assistance through referral to a third-party service provider.
- Providing Auto Dialer reminder calls and emails.

- Providing written correspondence such as failure to monitor letters, email, etc.
- Taking enforcement actions when necessary.

The number of water systems on the Enforcement Tracking Tool list each quarter varies based on unplanned health-based violations such as MCL's or *E. coli* events, in addition to RTCR, significant deficiencies and monitoring violations. Each violation is responded to by field staff and reported during quarterly meetings. Public water systems with a systemic pattern of violations are placed under an enforceable action to return it to compliance.

4 Capacity Assistance

3. During the reporting period, if statewide PWS capacity concerns or capacity development needs (TMF) have been identified, what was the State's approach in offering and/or providing assistance?

The Idaho Drinking Water Bureau focuses on web-based resources and training materials to assist with training. The Bureau continues to educate members of the water industry through DEQ's "Public Water System Switchboard" where water operators can obtain information about various DEQ programs, access state and federal regulations and policies, and download instructional aids. In SFY 2026, DEQ continued to improve capacity resources on the PWS Switchboard. Some of the training information provided on the Switchboard is described below:

Training Calendar – The PWS Switchboard has a link to a comprehensive training calendar. The calendar is populated by trainers with class information as soon as it is available. This calendar provides timely information about training for owners and operators of PWSs.

Capacity Development – In addition to the existing step guides and capacity development reports, this web page has been enhanced to include links to the Environmental Finance Center Network and EPA's TMF Capacity Resources. An Asset Management Frequently Asked Questions document was developed and added to the switchboard in addition to the link to the EFC Asset Management switchboard. Links to information on cybersecurity and water loss are also located on this web page.

Cross-Connection Control – A link provides answers to frequently asked questions about cross-connection control. It also explains what a cross-connection is and advises water purveyors on measures that must be taken to protect their water systems against contamination and pollution from cross-connections. A link is provided to the Idaho Rural Water Association (IRWA) cross connection control template. Fact sheets on backflow prevention assemblies and common homeowner cross connections are available on this page.

Sanitary Survey Continuing Education Units – Continuing Education Units are provided by DEQ to the operators of systems classified as "Very Small" water systems, "Distribution 1", and "Distribution 2" systems, in addition to "Treatment 1" for successfully completing limited pre-

inspection "homework", actively participating in the sanitary survey and follow-up corrective action planning associated with the sanitary survey. The Sanitary Survey CEU course may only be completed once within a three-year period to encourage operators to pursue diverse training opportunities and broaden their technical knowledge. During the reporting period, DEQ issued 39 Continuing Education Unit certificates.

Sanitary Survey Form – The "State of Idaho Public Water System Sanitary Survey" form used by DEQ drinking water inspectors is available to system owners and operators for use as a checklist to prepare for their next sanitary survey. DEQ has developed an electronic sanitary survey that will assist with assessing the capacity of water systems. The sanitary survey financial/managerial checklist questions have been enhanced to better assess water system capacity. As DEQ moves to a new electronic data storage system, the program will be able create a capacity folder that will help identify water systems needing capacity assistance. Since implementation of the electronic sanitary survey, a manual inspection of the financial/managerial checklists indicates the most common issues found during a survey to include:

- Lack of an Asset Management Plan
- No Cross Connection Control Program
- No Independent Financial Audit
- Lack of Operation and Maintenance Manual
- Lack of Water Efficiency/Water Loss Program

DEQ is working with third-party providers to ensure training is made available to address these issues. The PWS Switchboard continues to be updated to provide resources that can also assist with maintaining capacity.

"How to Sample" Videos – The American Water Works Association water sampling procedure videos (via YouTube) demonstrate sampling techniques for various contaminants.

Operation and Maintenance (O&M) – The O & M button on the PWS switchboard has been updated to include a link to Drinking Water Operation and Maintenance Manual checklist and A link to operation and maintenance videos developed by Rural Community Assistance include videos on distribution, hydrant flushing, valve maintenance and more.

4.1 Training and Workshops

To assist water systems in achieving and maintaining technical, managerial and financial capacity, and to prepare water systems for new regulatory requirements, DEQ staff conducted training on lead service line inventories, PFOA/PFAS, HABS, and funding opportunities. Presentations regarding these requirements were also given to several external organizations.

Presentations – Staff provided presentations to professional organizations and stakeholders on PFOA/PFAS, Lead and Copper Rule implementation, service-line inventories, funding opportunities, and regulatory updates. Outreach included the Association of Idaho Cities,

Ground Water Technical Meeting Committee, Idaho Drinking Water Advisory Committee, Idaho Water Utility Council, Idaho Rural Success Summit, Pacific Northwest Clean Water Association, and American Water Works Association.

During 2025 and 2026, DEQ staff expanded operator training through IRWA conferences, AWWA events, source-water protection workshops, and seven statewide DEQ-hosted rule workshops. Training addressed drinking water program and regulatory updates, PFOA/PFAS, Lead and Copper Rule Improvements, the proposed perchlorate rule, Consumer Confidence Report requirements, and source-water protection. Each DEQ rule workshop provided 6 continuing education units (CEUs) and was developed, coordinated, and delivered by DEQ staff.

HABs – DEQ coordinated a workshop led by the USEPA Area Wide Optimization Program focused on optimizing surface water treatment for harmful algal blooms (HABs) and jar testing. The workshop provided background on HABs, including health impacts, monitoring approaches, and available resources for cyanotoxin detection. It also covered optimization strategies for existing treatment systems and guidance for developing HAB response plans. Participants received hands-on training in jar testing to support surface water treatment applications, skill development, and data interpretation. The workshop was recorded and is currently being edited into YouTube content, including five presentations and a future tutorial on optimizing public water systems (PWSs) using jar testing. In FY 2023, DEQ uploaded previous operator training videos to its YouTube channel to improve accessibility. Production of the jar testing lecture and treatment optimization training videos is scheduled to begin in mid-August 2026 with support from the Idaho Rural Water Association.

Lead/Copper – Public water system administrative contacts, owners, and operators have been notified via postcard and email about the new Service Line Portal application on the PWS Switchboard, where systems can submit their service line inventories. Additionally, they received notifications about a Lead and Copper Rule Revision Workshop hosted by DEQ regional offices. DEQ staff presented directly related information on lead/copper rule revisions and service line inventories at several events.

Water Quality Loan Program – In SFY 2026, the program continues to provide a quarterly newsletter for water and wastewater systems to provide updates on funding requirements and technical assistance opportunities. They have updated their customer handbook to assist applicants and project owners with the SRF application process and execution of projects. The Loan and Grant program also produces training videos that are recordings of presentations regarding Letters of Interest, Bipartisan Infrastructure, Planning Grants and SRF and ARPA application training. The videos are available on the DEQ YouTube channel.

Idaho Rural Water Association (IRWA) Statewide Training – During the reporting period, DEQ staff, in collaboration with the Idaho Rural Water Association, conducted training to operators during the Idaho Rural Water Association conference. The 2026 IRWA Spring Conference included sessions on PFOA/PFAS, and regulatory updates from the Drinking Water Program, with several courses presented by DEQ staff. IRWA also hosted cybersecurity training and Source Water Protection workshops addressing water quality and corrosion control. In 2026,

IRWA continued to provide training on PFOA/PFAS, the revised Drinking Water Rule, and program regulatory updates, with all sessions qualifying for CEU credit. Available classes and schedules may be accessed on the IRWA website and are displayed on the DEQ training calendar.

Environmental Finance Centers – The Environmental Finance Centers have entered into cooperative agreements with EPA to provide technical assistance to ensure communities that have difficulty in securing public funding receive the help they need to access resources for infrastructure improvements. RCAC was selected to administer the EFC in Region 10. DEQ has met monthly with EPA and RCAC to identify water systems and discuss technical assistance opportunities.

Idaho Department of Occupational and Professional Licenses (IDOPL) – Additional information on operator training requirements is provided by IDOPL at its Idaho Training and Continuing Education Reference Guide website.

Rural Community Assistance Corporation (RCAC) – RCAC provides operator training and technical and financial assistance to public water system personnel. Their services are directed to small low-income communities in rural areas to ensure they comply with state and federal regulations. DEQ staff have participated annually in various online training courses. DEQ meets quarterly with RCAC to discuss progress on water systems they are working with and updates to our PIFF form referrals.

DEQ has completed the revision of the guidance document titled *Demonstrating Technical, Financial, and Managerial Capacity in New Public Water Systems,* which describes the elements of water system infrastructure, financing, management, and operations that should be considered to demonstrate to DEQ the TFM capability of new or substantially modified community or non-transient non-community PWSs. The guidance is intended to assist new or substantially modified PWSs in developing TFM capacity and thereby ensure the consistent delivery of safe drinking water. DEQ will continue to prioritize efforts to track capacity development through:

- Sanitary Surveys
- Compliance History and Trends
- DWSRF Program
- Third Party Provider Contact
- Engineering Reviews

4. If the State performed a review of implementation of the existing strategy during the previous year, discuss the review and how findings have been or may be addressed.

DEQ has reviewed the implementation of the Existing Systems Strategy during the reporting period and the revision of the Capacity Development Strategy to address the AWIA requirements for asset management.

Efforts continue to focus on ensuring water systems are fully informed, opportunities for funding and technical assistance (including cybersecurity). Training and technical assistance continued through statewide workshops, conferences, and operator education. Training addressed drinking water program and regulatory updates, emerging requirements, and other topics intended to strengthen system capacity and support compliance. Statewide workshops also provided continuing education opportunities for water system operators. The new electronic sanitary survey will be used to help identify water system capacity and where resources should be focused.

5. Did the State make any modifications to the existing system strategy? If so, describe.

The existing strategy was updated in October, 2022 and approved by EPA.