

**Capacity Attribute Evaluation  
for  
Community and Nontransient Noncommunity Public Water Systems (1)**

Name Of System: \_\_\_\_\_ Prepared By: \_\_\_\_\_ Date: \_\_\_\_\_

<b>Technical Capability</b>	<b>Adequate Capacity</b>	<b>Weak Capacity</b>
1. Finished water meets applicable drinking water standards		
2. System has appropriately certified operators or a plan to obtain appropriately certified operators		
3. System has a valid water use permit		
4. Applicable local planning/zoning approvals are met		
5. System construction approved by the NDDH		
<b>Managerial Capability</b>		
1. Owner(s), manager(s), operator(s) clearly identified		
2. Records maintained (plans/specifications, O&M, compliance, ect.)		
3. O&M manual maintained (applies if treatment provided)		
<b>Financial Capability</b>		
1. System maintains separate account for water utility		
2. System produces and uses an annual budget		
3. Revenues are greater than costs		
4. Operating ratio (OR) is greater than 1.0		
5. Coverage ratio (CR) is greater than 1.0		
6. Financial audit conducted at least every 5 years		
7. Reserve account maintained (emergencies & unexpected expenses)		
8. All service connections metered		

OR = Water revenues / O&M and replacement expenditures

CR = Cash revenues - O&M and replacement expenditures / loan or capital lease payments + loan interest payments

**Note: All OR and CR cost elements represent total annual costs.**

(1) This evaluation is based upon information obtained during the self-evaluation. The above capacity attributes and their importance were discussed with the system as part of the self-evaluation.

**Capacity Attribute Evaluation  
for  
Transient Noncommunity Public Water Systems (1)**

Name Of System: \_\_\_\_\_ Prepared By: \_\_\_\_\_ Date: \_\_\_\_\_

<b>Technical Capability</b>	<b>Adequate Capacity</b>	<b>Weak Capacity</b>
1. Finished water meets applicable drinking water standards		
2. System has an appropriately certified operator or a plan to obtain an appropriately certified operator (if required by the NDDH)		
3. System has a valid water use permit		
4. Applicable local planning/zoning approvals are met		
5. System construction approved by the NDDH		
6. System has developed and follows an O&M program		
<b>Managerial Capability</b>		
1. Owner(s), manager(s), operator(s) clearly identified		
2. Records maintained (plans/specifications, O&M, compliance, ect.)		
3. O&M manual maintained (applies if treatment provided)		
4. Owner understands applicable regulatory requirements and system operation		
<b>Financial Capability</b>		
1. System produces and uses an annual budget		
2. System knows its cost of water		
3. Annual revenues or sources of funds available to support the water facilities exceed the cost of water (total annual O&M and replacement expenditures)		
4. Financial audit conducted at least once every 5 years.		
5. System has designated reserves or sources of funds to address water system emergencies, repairs, or other unanticipated expenses		
6. System utilizes some type of accounting method to track revenues and expenses		
7. System has a business plan (5-year plan recommended)		

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