



UTAH DEPARTMENT *of*  
**ENVIRONMENTAL  
QUALITY**

# *Intended Use Plan FY23*

Prepared by  
**The Division of Water Quality**

Updated October 2023

# INTENDED USE PLAN FY23

Prepared by

Adriana Hernandez

Ken Hoffman, Emily Cantón

**Utah Department of Environmental Quality**

Division of Water Quality

195 North 1950 West

Salt Lake City, UT 84116

Updated October 2023

# CONTENTS

CHAPTER 1. Introduction.....	4
CHAPTER 2. Program Operations.....	6
2.1 Transfer of Clean Water State Revolving Funds.....	6
2.2 Extended Financing Terms.....	7
2.3 Additional Subsidization .....	7
2.4 Green Project Reserve.....	8
2.5 Program Assurances .....	8
CHAPTER 3. CWSRF Project Funding.....	9
3.1 Long Term Goals .....	9
3.2 Short Term Goals.....	9
CHAPTER 4. Sewer Overflow and Stormwater Reuse Municipal Grants Program .....	12
CHAPTER 5. Utah Wastewater Loan Program .....	13
CHAPTER 6. Hardship Grant Funds .....	14
CHAPTER 7. Payment Schedule.....	15
7.1 Cash Flow Projections – State Revolving Fund .....	15
7.2 Cash Flow Projections – Utah Wastewater Loan Fund .....	16
7.3 Cash Flow Projections – Hardship Grant Fund .....	17
CHAPTER 8. SRF Sources & Use Table .....	19
CHAPTER 9. Project Priority List (PPL) .....	20

# CHAPTER 1. Introduction

The Intended Use Plan is used by the Utah Department of Environmental Quality (DEQ) to apply for the US Environmental Protection Agency (EPA) Capitalization Grant. The primary purpose of the Plan is to identify current and projected projects that may be awarded funding from federal grant awards. The federal award for the FY23 base program is \$3,952,000. The federal award for the FY23 general supplemental program is \$10,983,000. The federal award for the FY23 emerging contaminants supplemental is \$1,121,000. See Table 2 for a list of State Revolving Fund projects. In addition, the Plan identifies current and projected projects that may be awarded from the Sewer Overflow and Stormwater Reuse Municipal Grants Program and State monies, including the Utah Wastewater Loan Program and Hardship Grant Funds. See Tables 3, 4 and 5 for a list of these respective projects.

As required under Sections 606(c) and 610(b) of the Clean Water Act, the State of Utah has prepared an Intended Use Plan (IUP) for the Clean Water State Revolving Fund (CWSRF) program. The purpose of the IUP is to facilitate the negotiation process for the Fiscal Year 2023 CWSRF Capitalization Grant agreements. This IUP outlines the short-term and long-term goals of the program and proposes a schedule of payment between the Department of Environmental Quality – Division of Water Quality (Division) and the Environmental Protection Agency –Region 8. This document also describes the intended uses for: The State Revolving Fund (SRF), Sewer Overflow and Stormwater Reuse Municipal Grants (OSG) Program, the Utah Wastewater Loan Fund (UWLF), and the Hardship Grant Fund (HGF). All data provided in the 2023 IUP are projections of funding for the listed projects. Ultimately, the Utah Water Quality Board will determine loan amounts and financing terms as projects are presented for authorization.

The CWSRF is a financial assistance program that provides low-cost financing for treatment works, sewerage systems, storm water projects, decentralized systems, and nonpoint source projects. The operation of Utah’s CWSRF program is coordinated between the Utah Water Quality Board (the Board) and the Department of Environmental Quality – Division of Water Quality. Projects financed through the State Revolving Fund may receive funding from the following sources: (a) SRF Capitalization Grants; (b) SRF loan repayments; and (c) State matching funds.

Occasionally, an SRF-eligible project will be financed through the Utah Wastewater Loan Program or Hardship Grant Funds.

The Division of Water Quality maintains the SRF Project Priority List comprised of projects for which funding applications have been submitted. The Project Priority List is a numeric calculation used to prioritize projects which will remedy the most severe water quality problems and provide funds for the most beneficial protection of public health and water quality improvement. Projects are listed on the Project Priority List prior to being presented to the Water Quality Board for authorization. These updated Project Priority Lists are considered to be updates to the current IUP. Projects will be considered for funding according to their priority and readiness to proceed. If an SRF-eligible project does not proceed or is funded by SRF, UWLF, HGF, or another source, it will be removed from the Project Priority List. The Intended Use Plan includes projects listed on the most recent FY 2023 Project Priority List.

The Division of Water Quality conducts multiple surveys; one of which is the Municipal Wastewater Planning Program (MWPP) survey to project the potential Utah Statewide funding needs for wastewater treatment and wastewater collections systems. Participation in the MWPP is required for all political subdivisions which have received funding from the SRF, UWLF, or HGF. In addition, all wastewater agencies Statewide are encouraged to voluntarily participate. In the most recent survey from 2021, 168 responses were received which represents 70% of the distributed surveys. Results from the MWPP survey for projected wastewater capital improvement projects are listed below showing a projected Statewide need of more than \$4.4 billion through 2041. It should be noted; agency estimation accuracy diminishes with greater timelines, so the 2025 estimation is believed to be fairly accurate, while the 2040 need is probably greater than estimated.

2021 MWPP survey results – Statewide Wastewater Capital Improvement Projects			
2021-2026	2027-2031	2032-2036	2037-2041
\$2,540,200,246	\$737,598,506	\$610,615,718	\$579,739,913

The Clean Water Needs Survey (CWNS) has also been completed. The Division surveyed four facility types: Wastewater, Stormwater, Non-Point Source, and Decentralized that showed a total need of \$9.7 billion for the survey period 2022 – 2041. A State Specific Approach (SSA) was used to estimate data for each of these facility types when planning documents were not available. 190 wastewater collection and treatment facilities were entered into the survey by using planning documents, small community forms, and the SSA; of which 95% responded and five percent were estimated using the SSA. There was a total of 91 stormwater facilities entered using a survey to estimate needs with the SSA that showed a need of \$1.9 billion. Decentralized systems were estimated with a SSA according to the 13 health departments in the state and showed a need of \$1.26 billion. The Non-Point Source survey received 37 project responses which showed a need of \$690 million.

## CHAPTER 2. Program Operations

Since its inception in 1989, Utah’s CWSRF program has received appropriations from the federal government through capitalization grants. For FY23 the base capitalization grant award is \$3,952,000, and the general supplemental capitalization grant award is \$10,983,000.

In addition to federal dollars, The Department of Environmental Quality – Division of Water Quality is required to provide a twenty percent (20%) state match for the base program, and a 10% state match for the general supplemental funding (in FY24 this match will return to 20%). Utah has met the state match requirement for the base program by using money from the Utah Wastewater Loan Fund. Revenues into the UWLF are comprised of principal repayments from state loans, from a state sales tax allocation, and additional legislature appropriation. Utah has received its full measure of sales tax dollars, in the amount of \$3,587,500. In addition, the Utah State Legislature provided \$5,801,700 for the additional state match requirements for the general supplemental funding. The entire 20% state matching amount for the base capitalization award and 10% for the general supplemental capitalization award will be used toward eligible project costs before draws are made from the capitalization grant. Once the requirement is met, draws will be made from the federal award as a 100% federal share.

The Department of Environmental Quality – Division of Water Quality will use SRF administrative funds of 4% of the overall grant award. Administration will not exceed the statutory limit. In addition, loan origination fees, equal to 1% of the principal loan amount, are charged to loan recipients. That revenue may also be used for program administration expenses. The Division of Water Quality estimates that \$102,600 will be collected from loan origination fees by the end of the Fiscal Year.

The Department of Environmental Quality – Division of Water Quality will reserve the right to use 2% of the Clean Water SRF Capitalization Grants for Technical Assistance. The planned activities for these funds will be determined at a later date.

### 2.1 Transfer of Clean Water State Revolving Funds

The Water Quality Board and Division of Water Quality reserve authority to transfer funds from the Clean Water SRF program to the Drinking Water SRF (DWSRF) program. The amount reserved for future transfers is up to 33% of the DWSRF capitalization grant award. The table below indicates the reserved transfer amount by award year.

For FY23, the projected amount of funds to be transferred is \$0, with no short- or long-term impacts on the fund. Justification for any transfers to the Drinking Water SRF program, including amount, type of funds, and fund impact, will be documented in a future Intended Use Plan (IUP).

The intended use plan will reserve the authority to transfer funding to the DWSRF program. A Memorandum of Understanding between the divisions to process the actual transfers will require the Water Quality Board approval.

TABLE 1a – TRANSFER AMOUNTS: BASE PROGRAM

Award Year	DWSRF Capitalization Grant Award	Reserved Transfer Amount
2019	\$11,103,000	\$3,663,990
2020	\$11,011,000	\$3,633,630
2021	\$11,001,000	\$3,630,330
2022	\$7,008,000	\$2,312,640
2023	\$4,938,000	\$1,629,540
<b>Total</b>		<b>\$14,870,130</b>

TABLE 1b – TRANSFER AMOUNTS: GENERAL SUPPLEMENTAL & EMERGING CONTAMINANTS

Award Year	DWSRF General Supplemental Grant Award	Reserved Transfer Amount	DWSRF Emerging Contaminants Grant Award	Reserved Transfer Amount
2022	\$8,816,080	\$2,909,306	\$7,555,000	\$2,493,150
2023	\$21,055,000	\$6,948,150	\$7,640,000	\$2,521,200
<b>Total Reserved Transfer Amount: \$14,871,806</b>				

### 2.2 Extended Financing Terms

As of June 1, 2023, the Utah Water Quality Board has authorized extended financing to three SRF recipients: Hanksville Town, North Logan, and Kane County Water Conservancy District. The Division of Water Quality estimates that the long-term impact of extended financing on the SRF program is less than a 1% revolving level reduction over 60 years. This estimate does not include an adjustment for inflation.

In cases of extreme hardship, the maximum affordable loan amount may not provide sufficient capital to cover project costs. In these cases, the Board would be requested to provide additional subsidization or hardship grant funds to make these projects feasible. Extended-term financing can increase the loan amount that a community qualifies for under the 1.4% median adjusted gross household income (MAGI) affordability guideline. The extended terms also benefit the SRF program by replacing an award of grant dollars with additional loan repayments, albeit in years 21-30.

### 2.3 Additional Subsidization

The FY23 capitalization grant may allow states to provide additional subsidization in the form of principal forgiveness and negative interest loans. A minimum of \$395,200 and a maximum amount of \$1,185,600 additional subsidization amounts will be outlined in the programmatic terms and conditions of the base award. The Water Quality Board may utilize the difference between the minimum and maximum additional subsidization amounts to refinance existing debt on projects which met CWSRF requirements at the time of construction. General supplemental awards require 49% additional subsidization. The additional subsidization amount for the FY23 supplemental award is \$5,381,670. The Water Quality Board uses principal forgiveness agreements as its mechanism for awarding additional subsidization.

Additional subsidy may be provided to disadvantaged communities, communities addressing water-efficiency or energy-efficiency goals, communities mitigating stormwater runoff, or to encourage sustainability. For the Water Quality Board to qualify a community as disadvantaged, the community must have a demonstrated hardship based on its cost of sewer service relative to 1.4% of the MAGI, unemployment, poverty level, or economic trends. Table 2: FY23 List of SRF Projects identifies those projects that may meet any additional subsidization requirement. However, the Water Quality Board may authorize principal forgiveness to additional projects presented for authorization during the year. The Water Quality Board is currently working on a process for targeting disadvantaged communities.

## 2.4 Green Project Reserve

The FY23 capitalization grant allocation requires that, to the extent that there are sufficient eligible projects applications, not less than 10% of the SRF funds shall be used for projects that address green infrastructure, water or energy efficiency improvements, or other environmentally innovative activities. The State of Utah will meet this objective by identifying projects that meet green infrastructure requirements and providing funding, in whole or in part, as they proceed to construction. Future plans to ensure this requirement is met include creating a website dedicated to Green Project Reserve (GPR). This will create more visibility and transparency regarding the requirement.

Table 1c identifies projects that may meet the Green Project Reserve requirement.

TABLE 1c – FY23 LIST OF GREEN PROJECT RESERVE PROJECTS

Recipient	Assistance Amount	GPR Amount
Provo City	\$85,800,000	\$19,633,000
Payson City	\$13,500,000	TBD

## 2.5 Program Assurances

The State of Utah must comply with its Operation Agreement with EPA and Utah Administrative Code, R-317-102, Utah Wastewater State Revolving Fund (SRF). Assurances include:

- Section 602(a)-Environmental Reviews
- Section 602(b)(3)-Certify binding commitments within one year
- Section 602(b)(4)-Certify expeditious and timely expenditures
- Section 602(b)(5)-First use for enforceable requirements

The Division of Water Quality will complete reporting requirements through the Office of Water State Revolving Funds (OWSRF) for all binding commitments in the quarter that they are made.



## CHAPTER 3. CWSRF Project Funding

Eligible projects to be funded by the SRF include loans closed with remaining draws, authorized loans, and anticipated loans. Loans closed with remaining draws are projects that are currently under construction. Authorized loans are projects that have been authorized by the Utah Water Quality Board and are in the design phase. Anticipated loans are projects that are in the beginning stages of planning.

Funding through the SRF can include federal dollars from the capitalization grant awards, principal repayments, interest payments, and investment fund interest earnings. Table 2 shows the projects that are expected to be funded from the Clean Water SRF. Projects must meet specific programmatic requirements including federal cross cutters and “super cross-cutters,” Davis-Bacon wages, American Iron and Steel (AIS), NEPA-like environmental review, Single Audit Act, Disadvantaged Business Enterprise (DBE), and Architectural and Engineering Services procurement.

The Bipartisan Infrastructure Law includes the Build America, Buy America Act (BABA) requirements which places additional requirements on the CWSRF Program. The United States must make significant investments to install, upgrade, or replace the public works infrastructure of the United States; with respect to investments in the infrastructure of the United States, taxpayers expect that their public works infrastructure will be produced in the United States by American workers. These new BABA requirements have been placed federal equivalency infrastructure projects.

As determined by the Utah Water Quality Board, SRF loan recipients may be charged a hardship grant assessment in lieu of interest. Upon collection, the hardship grant assessment will be placed into the Federal Hardship Grant Fund. If a hardship grant assessment is derived from a loan funded directly by EPA Capitalization Grant monies, the assessment shall be used for purposes identified in 40 CFR Part 31.25. If a hardship grant assessment is derived from a loan funded by SRF loan repayments, the assessment may be used to provide grants to communities for projects that are economically unfeasible without grant assistance.

### **3.1 Long Term Goals**

1. Provide a permanent funding source for water quality construction projects that supplements a community’s own resources and/or other funding sources.
2. Distribute SRF funds to projects with the highest water quality and infrastructure needs by evaluating and prioritizing proposed projects throughout the state.
3. Support EPA’s Sustainability Policy by balancing a community’s economic and water quality needs with the perpetuity of the SRF program.
4. Assist communities with all phases of a project, including sufficient planning, project design, environmental work, and construction.

### **3.2 Short Term Goals**

1. Present eligible projects to the Water Quality Board for authorization and assist communities through the application and award process.
2. Collaborate with other agencies (e.g., Utah Permanent Community Impact Board, U.S. Department of Agriculture Rural Development, and U.S. Army Corps of Engineers) to sufficiently fund projects.
3. Solicit and fund eligible nonpoint source, storm water, and emerging contaminants projects.
4. Provide funding, equal to at least ten percent (10%) of the capitalization award, for energy efficiency and recycled water and water reuse projects to the extent such projects exist.
5. Increasing the profile of the SRF program as a potential funding source for low income and rural Utah communities.

TABLE 2 – LIST OF FY23 SRF PROJECTS

TYPE	PERMIT NUMBER	NEEDS CATEGORY	ASSISTANCE AMOUNT	FUNDING TYPE	INTEREST RATE	TERM (YRS)	EQUIVALENCY	ADDITIONAL SUBSIDY AMOUNT	GREEN PROJECT RESERVE AMOUNT	BINDING COMMITMENT / CONSTRUCTION START	INITIATION OF OPERATION
<b>1st Round: Base Program</b>											
Moab City	UT0020419	I Secondary Treatment	\$14,200,000	1st Round	1.15%	20	Yes		\$502,937	17-Apr	19-Nov
<b>2nd Round: Revolved Funds</b>											
Millville City	UT0023205	IV-A New Collectors	\$1,261,000	2nd Round	0%	30	No	\$3,750,000		20-Mar	20-Dec
Millville City	UT0023205	IV-A New Collectors	\$5,200,000	2nd Round	0%	30	No	\$4,500,000		20-Mar	25-Nov
Mountain Green	UT0024732	I Secondary Treatment	\$7,000,000	2nd Round	1.30%	30	No			22-Jan	24-Jan
<b>General Supplemental</b>											
Hanksville	UTOP00119	I Secondary Treatment	\$0	General Supplemental			Yes	\$1,694,600		TBD	TBD
<b>Combined Funding Sources</b>											
Central Valley WRF	UT0024392	I-Secondary Treatment	\$65,100,000	1st & 2nd Round	1.50%	20	Yes			18-Dec	24-Dec
Grantsville	UT0021130	II Advanced Treatment	\$26,000,000	1st & 2nd Round General Supp			TBD			TBD	TBD
Green River City	UT0025771	I Secondary Treatment	\$5,000,000	1st & 2nd Round General Supp			TBD			TBD	TBD
Lewiston	UT0020214	III-B Sewer Replacement	\$400,000	1st & 2nd Round General Supp	0%	30	Yes	\$1,000,000			
Long Valley SID	UTOP00211	III-B Sewer Replacement	\$1,470,000	1st & 2nd Round General Supp	1.50%	20	Yes				
North Logan	UT002199920	III-B Sewer Replacement	\$3,500,000	1st & 2nd Round General Supp	2%	30	Yes				
Payson City	UT0020427	I-Secondary Treatment	\$13,500,000	1st & 2nd Round General Supp	0.50%	20	Yes	\$1,000,000	Being Assessed	22-Feb	25-Jan

Type	PERMIT NUMBER	NEEDS CATEGORY	ASSISTANCE AMOUNT	FUNDING TYPE	INTEREST RATE	TERM (YRS)	EQUIVALENCY	ADDITIONAL SUBSIDY AMOUNT (Principal Forgiveness)	GREEN PROJECT RESERVE AMOUNT	BINDING COMMITMENT / CONSTRUCTION START	INITIATION OF OPERATION
<b>Combined Funding (cont.)</b>											
Provo City	UT0021717	II- Advanced Treatment	\$85,800,000	1st & 2nd Round General Supp	0.50%	20	Yes	\$7,000,000	\$19,633,000	18-Dec	25-Jan
South Davis Sewer Dist	UT0021628	I-Secondary Treatment	\$47,000,000	1st & 2nd Round General Supp			TBD				
South Salt Lake City	See CVWRF	I-Secondary Treatment	\$2,413,000	1st Round & General Supp	0%	20	Yes	\$3,760,000		18-Dec	24-Dec
<b>Sewer Overflow and Stormwater Reuse Municipal Grants Program</b>											
Vitro Ditch	MS4	VI-B Green Infrastructure	\$2,600,000	OSG			TBD			TBD	TBD
Herriman City	MS4	VI-B Green Infrastructure	\$54,960	OSG			Yes			TBD	TBD
Herriman City	MS4	VI-B Green Infrastructure	\$11,640	OSG			Yes			TBD	TBD
Herriman City	MS4	VI-B Green Infrastructure	\$27,200	OSG			TBD			TBD	TBD
Herriman City	MS4	VI-B Green Infrastructure	\$47,770	OSG			Yes			TBD	TBD
Herriman City	MS4	VI-B Green Infrastructure	\$173,500	OSG			TBD			TBD	TBD
Ogden City	MS4	VI-B Green Infrastructure	\$140,000	OSG			Yes			TBD	TBD
Washington Terrace	MS4	VI-B Green Infrastructure	\$82,230	OSG			Yes			TBD	TBD
Weber State University MS4	MS4	VI-A. Gray Infrastructure	\$1,400,000	OSG			TBD			TBD	TBD
<b>Emerging Contaminants</b>											
Snyderville Basin SID	UT0020001	II. Advanced Wastewater Treatment	\$1,700,000	Emerging Contaminants			Yes	\$1,600,000			2023-2026
<b>TOTAL</b>			<b>\$284,081,300</b>					<b>\$24,304,600</b>	<b>\$20,135,937</b>		

## CHAPTER 4. Sewer Overflow and Stormwater Reuse Municipal Grants Program

The Utah Sewer Overflow and Stormwater Reuse Municipal Grants (OSG) Program is a federal program designed to provide funds for infrastructure needs to address combined sewer overflows, sanitary sewer overflows (SSO), and stormwater management. The OSG program has been authorized as grants for the design and construction of green infrastructure stormwater projects. In fall 2022, the Division was awarded \$336,600 in grant funding by EPA which includes \$138,600 from the FFY20 and \$198,000 from the FFY21.

The 2022 OSG program prioritized rural and distressed communities and required these communities to bring a 0% local “non-Federal” cost-share for funding match required by the EPA. For urban and un-distressed communities, the program requires 40% of local funds to projects to meet the 20% “non-Federal”. In addition, 15% of the funds are required to go to rural communities and 10% of the funds must go to distressed communities. For the OSG program, rural is defined as communities under 10,000 in population and distressed is defined as a community with sewer rates exceeding 1.4% of the modified median adjusted gross household income (MAGI). The Board authorized \$56,000 in Hardship Grant Funds to meet the non-federal match requirements for the rural and distressed communities to meet their funding packages 20% match.

Please refer to Tables 3a and 3b for a list of projects to be funded from the OSG program.

TABLE 3a – LIST OF FUNDED PROJECTS

FUNDING RECIPIENT	DISTRESSED/ RURAL	ASSISTANCE AMOUNT	HARDSHIP GRANT	REQUIRED LOCAL COST SHARE	BINDING COMMITMENT/ CONSTRUCTION START	CONSTRUCTION END
<b>AUTHORIZED LOANS</b>						
Herriman City - Autumn Detention Pond Retrofit	No/No	\$54,960		36,640	TBD	No later than 24- Nov
Herriman City - Butterfield Detention Pond Retrofit	No/No	\$11,640		\$7,760	TBD	No later than 24- Nov
Herriman City - City Hall Parking Lot Stormwater Retrofit	No/No	\$47,770		\$19,508	TBD	No later than 24- Nov
Ogden City - 3300 South 1325 West	Yes/No	\$140,000	\$35,000		TBD	No later than 24- Nov
Washington Terrace Bioswale at Rohmer Park	No/Yes	\$103,230	\$21,000		TBD	No later than 24- Nov

TABLE 3b – LIST OF OSG POTENTIAL FUTURE PROJECTS

COMMUNITY	PROJECT	PROJECT COST
Herriman City	Main St Parking Lot Retrofit	\$27,200
Herriman City	Butterfield Park and Public Works Yard Storm Drain Retrofit	\$173,500
South Salt Lake City	Vitro Ditch	\$2,600,000
Weber State University MS4	Lindquist Retention Pond Renovation	\$1,400,000
	<b>Totals</b>	<b>\$4,173,500</b>

## CHAPTER 5. Utah Wastewater Loan Program

The Utah Wastewater Loan program is a state-funded loan program similar to the SRF. Revenue for the Utah Wastewater Loan program is derived from sales tax dollars and principal repayments. Monies may be authorized in the form of loans or interest-rate buydowns.

Projects eligible for funding through the Utah Wastewater Loan program have been divided into three categories: closed loans with remaining draws, authorized loans, and anticipated loans. Closed loans with remaining draws are projects that have held loan closing and are currently under construction. Authorized loans are those projects which have received authorization from the Utah Water Quality Board but have not yet held loan closing and are still in the planning or design phase. Anticipated loans are those projects that may be presented to the Utah Quality Board for authorization in the next fiscal year.

Please refer to Table 4 for a list of projects to be funded from the Utah Wastewater Loan Fund.

TABLE 4 – LIST OF FY23 UTAH WASTEWATER LOAN PROGRAM PROJECTS

LOAN RECIPIENT	ASSISTANCE AMOUNT	INTEREST RATE	TERM (YEARS)	BINDING COMMITMENT	CONSTRUCTION START	CONSTRUCTION END
<b>LOAN CLOSED WITH REMAINING DRAWS</b>						
South Salt Lake	\$7,867,000	0%	20	18-Dec	20-Feb	24-Jun
<b>AUTHORIZED LOANS</b>						
Grantsville	\$1,000,000	0%	20	TBD	TBD	TBD
Hanksville	\$350,000	0%	30	TBD	TBD	TBD
Kane County	\$310,000	0%	30	TBD	TBD	TBD
Lewiston	\$400,000	0%	20	TBD	TBD	TBD
Spanish Fork City	\$4,500,000	1.12	20	TBD	TBD	24-Dec
<b>ANTICIPATED LOANS</b>						
N/A						
<b>TOTAL \$14,427,000</b>						

## CHAPTER 6. Hardship Grant Funds

The State of Utah provides hardship grants for several types of projects. First, hardship grant funds may be authorized as planning advances or grants and design advances or grants. Advances are repaid once construction funding has been secured through a loan closing. Second, funds may be awarded as hardship construction grants to entities that may not otherwise be able to afford to complete an eligible project. The Water Quality Board may consider authorizing a hardship grant when the estimated annual cost of sewer service exceeds 1.4% of the local MAGI. Third, hardship grants may be awarded for water quality improvement projects such as non-point source, water quality studies, and educational outreach efforts. Projects eligible for Hardship Grant Funds may be added to the list once authorization has been received from the Board.

Please refer to Table 5 for a list of projects to be funded from the Hardship Grant Funds.

TABLE 5 – LIST OF FY23 HARDSHIP GRANT FUND PROJECTS

Recipient	Assistance Amount/Balance	Type
<b>HARDSHIP GRANTS</b>		
Big Water	\$52,500	Planning Advance Grant
Davis County Health Department	\$105,313	Planning Grant
Delta City	\$200,000	Short Term Design Loan
Delta City	\$200,000	Design Grant
Dutch John (Daggett County)	\$60,000	Hardship Grant Loan
Dutch John (Daggett County)	\$95,000	Planning Grant
Grantsville City	\$300,000	Design Advance
Hanksville	\$47,400	Design Advance
Hinckley Town	\$15,000	Planning Advance
Kanab City	\$29,800	Planning Advance
Kane County Water Conservancy District	\$200,000	Hardship Grant
Lewiston City	\$274,000	Design/Construction Grant
Long Valley Sewer Improvement District	\$84,300	Design Advance
Millville City	\$1,000,000	Design/Construction Grant
Spanish Fork	\$500,000	Construction Grant
Spring City	\$289,000	Design Advance
Town of Elwood	\$18,200	Planning Advance Grant
Town of Stockton	\$20,000	Planning Grant
<b>NON-POINT SOURCE GRANTS</b>		
Utah Department of Agriculture	\$172,270	NPS Grant
DEQ - Ammonia Criteria Study	\$27,242	NPS Grant
DEQ - Utah Lake Water Quality Study	\$348,301	NPS Grant
USU - Historic Trophic State/Nutrient Concentrations Paleo	\$25,141	NPS Grant
FY18 – FY23 Remaining Payments	\$1,796,670	Various NPS Grants
FY24 – New Projects	\$1,000,000	Various NPS Grants
<b>TOTAL</b>	<b>\$6,860,137</b>	

## CHAPTER 7. Payment Schedule

Utah's CWSRF has met "first use" requirements of Section 602(b) (5). CWSRF funds will be distributed using the method, criteria, and eligible activities that are outlined in Section R-317-101 and 102 of the Utah Administrative Code. The methods and criteria provide affordable assistance as well as maximum benefit to the long-term viability of the fund. If the dollar amount of projects in the FY23 Intended Use Plan exceeds the actual amount of funds available during the planning period, one of the following may occur:

- Projects listed may not be funded.
- Projects may be funded using available credit enhancement techniques.
- Projects may need to be delayed until funds are available.

Please see the CASH FLOW PROJECTIONS for the detail of revenue and expenses for the State Revolving Fund, Utah Wastewater Loan Fund, and Hardship Grant Funds.

### 7.1 Cash Flow Projections – State Revolving Fund

TABLE 6 – FY23 STATE REVOLVING FUND

STATE REVOLVING FUND (SRF)			
Funds Available	2023	2024	2025
Capitalization Grants Awards (FFY22)	\$ 15,474,000	-	-
State Match (FFY22)	\$ 2,157,000	-	-
Future Capitalization Grants (estimated)	-	\$14,935,000	\$11,234,025
Future State Match (estimated)	-	\$1,888,700	\$2,246,805
SRF - 2nd Round	\$ 14,507,998	(\$7,777,840)	(\$7,668,982)
Interest Earnings at 0.4676%	\$ 67,946	-	-
Loan Repayments (5255)	-	\$20,400,748	\$20,164,590
<b>Total Funds Available</b>	<b>\$ 32,206,944</b>	<b>\$29,446,608</b>	<b>\$25,976,438</b>
Project Obligations			
Millville City	(\$5,146,000)	-	-
Moab City	(\$80,000)	-	-
Mountain Green	(\$5,449,000)	(\$1,500,000)	-
Payson City	(\$1,925,000)	(\$11,500,000)	-
Provo City	(\$9,073,002)	(\$6,800,000)	-
Provo City	-	(\$9,864,000)	-
South Salt Lake City (A)	(\$524,000)	-	-
Loan Authorizations			
Millville City Refinance Loan	(\$1,261,000)	-	-
Long Valley	(\$1,250,000)	-	-
North Logan	(\$3,500,000)	-	-
South Davis Sewer District (with NPS)	-	-	(\$14,176,000)
<b>Total Obligations</b>	<b>(\$28,208,002)</b>	<b>(\$29,664,000)</b>	<b>(\$14,176,000)</b>
<b>SRF Unobligated Funds</b>	<b>\$3,998,942</b>	<b>(\$217,392)</b>	<b>\$11,800,438</b>

## 7.2 Cash Flow Projections – Utah Wastewater Loan Fund

TABLE 7 – FY23 UTAH WASTEWATER LOAN FUND

UTAH WASTEWATER LOAN FUND (UWLF)			
Funds Available	2023	2024	2025
<b>UWLF</b>	\$29,078,176	\$13,843,526	\$15,949,117
<b>Sales Tax Revenue</b>	-	\$3,587,500	\$3,587,500
<b>Loan Repayments (5260)</b>	-	\$2,473,791	\$2,808,235
<b>Total Funds Available</b>	\$29,078,176	\$19,904,817	\$22,344,852
General Obligations			
<b>State Match Transfers</b>	(\$2,157,000)	(\$2,257,100)	(\$2,615,205)
<b>DWQ Administrative Expenses</b>	(\$424,650)	(\$1,698,600)	(\$1,698,600)
Project Obligations			
<b>South Salt Lake City (B)</b>	(\$4,891,000)	-	-
<b>South Salt Lake City (C)</b>	(\$982,000)	-	-
Loan Authorizations			
<b>Grantsville</b>	(\$1,000,000)	-	-
<b>Hanksville</b>	(\$350,000)	-	-
<b>Kane County</b>	(\$310,000)	-	-
<b>Lewiston</b>	(\$400,000)	-	-
<b>Long Valley</b>	(\$220,000)	-	-
<b>Spanish Fork</b>	(\$4,500,000)	-	-
<b>Total Obligations</b>	(\$15,234,650)	(\$3,955,700)	(\$4,313,805)
<b>UWLF Unobligated Funds</b>	\$13,843,526	\$15,949,117	\$18,031,047



### 7.3 Cash Flow Projections – Hardship Grant Funds

TABLE 8 – FY23 HARDSHIP GRANT FUND

HARDSHIP GRANT FUNDS (HGF)			
Funds Available	2023	2024	2025
Beginning Balance	-	\$1,082,076	\$1,420,272
Federal HGF Beginning Balance (5250)	\$3,280,059	-	-
State HGF Beginning Balance (5265)	\$3,863,210	-	-
Interest Earnings at 5.0620%	\$30,133	\$5,195	\$6,818
UWLF Interest Earnings at 5.0620%	\$122,661	\$66,460	\$76,569
Hardship Grant Assessments (5255)	-	\$969,300	\$892,769
Interest Payments (5260)	-	\$297,241	\$275,471
<b>Total Funds Available</b>	<b>\$7,296,063</b>	<b>\$2,420,272</b>	<b>\$2,671,899</b>
Financial Assistance Project Obligations			
Big Water-Planning Grant	(\$52,500)	-	-
Delta - Design Grant	(\$200,000)	-	-
Delta - Short Term Loan	(\$200,000)	-	-
Dutch John (Daggett County) - Planning	(\$95,000)	-	-
Dutch John (Daggett County) - HGF Loan	(\$60,000)	-	-
Eagle Mountain City - Construction Grant	(\$510,000)	-	-
Elwood - Planning	(\$18,200)	-	-
Hanksville - Design	(\$47,400)	-	-
Hinckley Hardship Planning Grant	(\$15,000)	-	-
Kanab City Planning Advance	(\$29,800)	-	-
Long Valley - Design	(\$103,700)	-	-
Millville City - Construction	(\$1,000,000)	-	-
Spanish Fork – Hardship Grant	(\$500,000)	-	-
Stockton - Planning	(\$20,000)	-	-
Hardship Grant Authorizations			
Grantsville - Design Advance	(\$300,000)	-	-
Kane County - Hardship Grant	(\$200,000)	-	-
Spring City - Design Advance	(\$289,000)	-	-
Non-Point Source/Hardship Grant Obligations			
McKees ARDL interest-rate buy down	(\$55,261)	-	-
Munk Dairy ARDL interest-rate buy down	(\$16,017)	-	-
(FY12) Utah Department of Agriculture	(\$172,270)	-	-
(FY15) DEQ - Ammonia Criteria Study	(\$27,242)	-	-
(FY17) DEQ - Utah Lake Water Quality Study	(\$348,301)	-	-
(FY23) DEQ Davis County Health Department	(\$105,313)	-	-
USU - Historic Trophic State/Nutrient Concentrations Paleo	(\$25,141)	-	-

<b>FY 2018 - Remaining Payments</b>	(\$7,100)	-	-
<b>FY 2019 - Remaining Payments</b>	(\$88,688)	-	-
<b>FY 2020 - Remaining Payments</b>	(\$173,111)	-	-
<b>FY 2021 - Remaining Payments</b>	(\$138,044)	-	-
<b>FY 2022 - Remaining Payments</b>	(\$621,140)	-	-
<b>FY 2023 - Remaining Payments</b>	(\$768,586)	-	-
<b>Future NPS Annual Allocations</b>	-	(\$1,000,000)	(\$1,000,000)
<b>Total Obligations</b>	(\$6,186,814)	(\$1,000,000)	(\$1,000,000)
<b>HGF Unobligated Funds</b>	\$1,109,249	\$1,420,272	\$1,671,899

## CHAPTER 8. SRF Sources & Use Table

Title VI section 602(b)(4) of the Clean Water Act requires the state to expend all CWSRF funds in an “expeditious and timely” manner. This requirement applies to the entire SRF, not just the federal grants. The SRF Sources and Use table below demonstrates the sources and uses of all funds in the SRF.

TABLE 9 – SRF Source & Use Table

STATE REVOLVING FUND (SRF)			
	SFY 2024	SFY 2025	SFY 2026
Beginning Fund Balance	\$14,871,761	\$34,796,621	-\$1,483,499
Undrawn Federal Funds – 2021 Cap Grant	287,339	0	0
Undrawn Federal Funds – 2022 Base Cap Grant	243,840	0	0
Undrawn Federal Funds – 2022 General Supplemental Cap Grant	9,378,000	0	0
New Federal Awards – Base Cap Grants	3,952,000	3,952,000	3,952,000
New Federal Awards – General Supplemental Cap Grants	10,983,000	11,234,025	12,169,025
State Match – Base Program	790,400	790,400	790,400
State Match – General Supplemental	2,035,300	2,246,805	2,433,805
Repayments from SRF Loans	17,467,553	17,272,300	17,225,194
Interest Earnings	1,139,331	1,139,331	569,665
<b>Total Fund Revenue</b>	<b>\$61,148,523</b>	<b>\$71,431,482</b>	<b>\$35,656,590</b>
Projected Disbursements for Loan Obligations	-\$22,197,002	-\$26,664,000	\$0
Projected Disbursements for Loan Authorizations	-3,489,000	0	0
Projected Disbursements for Planned Projects	0	-45,585,081	-20,000,000
Administration	-665,900	-665,900	-665,900
<b>Total Estimated Expenses</b>	<b>-\$26,351,902</b>	<b>-\$72,914,981</b>	<b>-\$20,665,900</b>
<b>Total Funds Available for Projects</b>	<b>\$34,796,621</b>	<b>-\$1,483,499</b>	<b>\$14,990,690</b>

## CHAPTER 9. Project Priority List (PPL)

**State of Utah  
Wastewater Project  
Assistance Program Project  
Priority List  
As of August 10, 2022**

TABLE 10 – FY23 PROJECT PRIORITY LIST

Rank	Project Name	Funding Authorized	Total Points	Point Categories			
				Project Need	Potential Improvement	Population Affected	Special Consideration
1	South Salt Lake City (CVWRF)	X	143	50	23	10	60
	Central Valley (CVWRF)	R	143	50	23	10	60
2	South Davis Sewer District	X	138	50	18	10	60
3	Springdale		119	40	18	1	60
4	Spanish Fork Water Reclamation Facility	X	117	50	19	8	40
5	North Logan		86	25	14	7	40
6	Hanksville		76	50	5	1	20
7	Lewiston City	R	66	10	14	2	40
8	Dutch John (Dagget County)		28	10	17	1	0
9	Delta		24	0	0	4	20
10	Long Valley SID		11	10	0	1	0

*X - funding authorized; R - Additional Funding Requested; 0 - Funding Not Yet Authorized*