



State of Utah

SPENCER J. COX
Governor

DEIDRE HENDERSON
Lieutenant Governor

Department of
Environmental Quality

Kimberly D. Shelley
Executive Director

DIVISION OF WATER QUALITY
John K. Mackey, P.E.
Director

February 18, 2025

UTAH DEPARTMENT OF ENVIRONMENTAL QUALITY
DIVISION OF WATER QUALITY
INTENDED USE PLAN FY2024

THE 2024 INTENDED USE PLAN & PROJECT PRIORITY LIST

The Utah Department of Environmental Quality, Division of Water Quality (Division) opened its public comment period on the proposed 2024 Intended Use Plan (IUP) and Project Priority List (PPL) starting on January 7, 2025. The public comment notice was posted on the Utah Public Notice website at: <https://www.utah.gov/pmn/sitemap/notice/965199.html> and on the Division's Public Notice website at: <https://deq.utah.gov/public-notices-archive/water-quality-public-notices>. The [IUP and PPL](#) were made available for review and feedback, and comments were invited via mail to: Utah Division of Water Quality, P.O. Box 144870, Salt Lake City, UT 84114-4870 and via email to: wqcomments@utah.gov.

PUBLIC COMMENTS

The public comment notice was posted on January 7, 2025, and was open through close of business February 7, 2025. The comment period was open for at least 30 days and there were no public comments received by the Division. The [2024 IUP and PPL](#) was finalized on February 10, 2025 and will be available on the Division's website at: <https://deq.utah.gov/water-quality/financial-assistance-programs-water-quality>.

FURTHER INFORMATION

The IUP and PPL may also be obtained in person at the Division of Water Quality, 195 North 1950 West, Multi Agency State Office Building in Salt Lake City, Utah. For further information you may contact Adriana Hernandez, Contract/Grant Analyst, at: eqwqfinance@utah.gov.



UTAH DEPARTMENT *of*
**ENVIRONMENTAL
QUALITY**

Intended Use Plan FY24

Prepared by
The Division of Water Quality

January 2025

INTENDED USE PLAN FY24

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

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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 FY24 base program is \$4,302,000. The federal award for the FY24 general supplemental program is \$11,983,000. The federal award for the FY24 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 Fund and Hardship Grant Fund. 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 2024 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 2024 IUP are projections of funding for the listed projects. Ultimately, the Utah Water Quality Board (the Board) will determine loan amounts and financing terms as projects are presented for authorization pursuant to Utah Administrative Code (UAC) R317-101-4. See Appendix A for the Board's Financial Burden Evaluation Policy and Appendix B, Interest Rate Factors.

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 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 Fund or Hardship Grant Fund.

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 2024 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 that agency estimation accuracy diminishes with greater timelines; therefore, the 2025 estimation is believed to be accurate, while the need for 2040 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, nonpoint source, and decentralized-that showed a total need of \$9.7 billion for the survey period of 2022 – 2041. A State Specific Approach (SSA) was used to estimate data for each of these facility types where planning documents were not available.

A total of 190 wastewater collection and treatment facilities were entered into the survey using planning documents, small community forms, and the SSA; of these, 95% responded and 5% were estimated using the SSA. There were 91 stormwater facilities entered using a survey to estimate needs with the SSA, showing a need of \$1.9 billion. Decentralized systems were estimated with the SSA according to the 13 health departments in the state and showed a need of \$1.26 billion. The nonpoint source survey received 37 project responses, which showed a need of \$690 million.

1.1 Public Comment Process

The public comment process for Utah’s IUP is a crucial step in ensuring transparency and community involvement. Once the draft Intended Use Plan is presented and approved by the Board, a public notice will be posted and the IUP and PPL will be made available to the public for review and feedback. The public comment notice is posted in the local newspaper and to the Division’s website, and is open for 30 days. Feedback can be submitted in writing or via email to the Division. All comments received during this period are carefully considered by the Division and responses will be added for submission to EPA.

CHAPTER 2. Program Operations

Since its inception in 1989, Utah’s CWSRF program has received appropriations from the federal government through capitalization grants. For FY24 the base capitalization grant award is \$4,302,000, and the general supplemental capitalization grant award is \$11,983,000.

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 and the general supplemental funding. Utah has met the state match requirement for the base program by using money from the Utah Wastewater Loan Fund. Revenues into 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 Division of Water Quality will ensure that it meets 40 CFR 35.3135 (b) requirements by depositing the entire 20% match upon receipt of the federal grant awards.

The Department of Environmental Quality – Division of Water Quality will use SRF administrative funds of 4% of the overall grant awards. 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 \$146,200 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 FY24, 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
2021	\$11,001,000	\$3,630,330
2022	\$7,008,000	\$2,312,640
2023	\$4,938,000	\$1,629,540
2024	\$4,661,000	\$1,538,130

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
2024	\$22,985,000	\$7,585,050	\$7,640,000	\$2,521,200

2.2 Extended Financing Terms

As of June 1, 2024, the Utah Water Quality Board has authorized extended financing to four SRF recipients: Brian Head Town, Lewiston City, Kane County Water Conservancy District, and Ash Creek Special Services 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 FY24 capitalization grant may allow states to provide additional subsidization in the form of principal forgiveness and negative interest loans. A minimum of \$430,200 and a maximum amount of \$1,290,600 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 FY24 supplemental award is \$5,871,670. The Water Quality Board uses principal forgiveness agreements as its mechanism for awarding additional subsidization.

The Board will prioritize projects for additional subsidization that benefit a municipality meeting the state's affordability criteria and is currently allocating 100% of available subsidy to disadvantaged communities. 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. To qualify as a disadvantaged community the estimated annual cost of sewer service for the average residential user must exceed 1.4% of the modified median adjusted gross income (Modified MAGI). This "hardship" definition is also in UAC R317-101-4.B.1 and is the CWSRF State Affordability Criteria. Table 2: FY24 List of SRF Projects identifies those projects that may meet this subsidization requirement. In addition, the Water Quality Board would consider an application seeking additional subsidy benefiting residential users qualifying under the hardship definition. Further, the Water Quality Board may authorize additional subsidization to additional projects presented for authorization during the year, such as those communities addressing water-efficiency or energy-efficiency goals, communities mitigating stormwater runoff, or to encourage sustainability. The Water Quality Board is currently working on a process for targeting disadvantaged communities.

2.4 Green Project Reserve

The FY24 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 – FY24 LIST OF GREEN PROJECT RESERVE PROJECTS

Recipient	Assistance Amount	GPR Amount
Provo City (2024 Application)	\$21,000,000 application	TBD
Grantsville	\$34,000,000 application	TBD
Wolf Creek	\$ 6,404,000	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 Fund (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 CWSRF. Equivalency 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 on federal equivalency infrastructure projects.

As determined by the 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 SRF PROJECTS

Applicant	Permit Number	Needs Category	Project Description	Assistance Amount	Funding Type	Interest Rate	Term (YRS)	Equivalency	Exceeds Affordability Criteria	Additional Subsidy Amount (PF)	Green Project Reserve Amount	Binding Commitment/ Construction Start	Initiation of Operation
1st Round: Base Program													
Moab City	UT0020419	II- Advanced Treatment	Wastewater plant upgrade	\$14,200,000	1st Round	1.15%	20	Yes	No		\$502,937	17-Apr	19-Nov
2nd Round: Revolved Funds													
Millville City	UT0023205	IV-A New Collectors	Refinance of sewer construction loan	\$1,261,000	2nd Round	0%	30	No	Yes	\$3,750,000		20-Mar	20-Dec
Millville City	UT0023205	IV-A New Collectors	Construction of sewer collection system	\$5,200,000	2nd Round	0%	30	No	Yes	\$4,500,000		20-Mar	25-Nov
Mountain Green	UT0024732	II- Advanced Treatment	Wastewater plant upgrade	\$7,000,000	2nd Round	1.30%	30	No	No			22-Jan	24-Jan
General Supplemental													
Hanksville	UTOP00119	I-Secondary Treatment	Lagoon reconstruction	\$0	General Supp	TBD	TBD	Yes	Yes	\$1,694,600		24-Feb	TBD
Combined Funding Sources													
Ash Creek SSD	TBD	IV-A New Collectors	Virgin Town - Collection trunkline	\$6,876,000	1st & 2nd Round General Supp	0%	30	Yes	No			TBD	TBD
Beaver	UTOP00104	I-Secondary Treatment	Sewer collection and lagoon infrastructure improvements	\$7,351,325	1st & 2nd Round General Supp	TBD	TBD	TBD	No			TBD	TBD
Brian Head Town	UT0026158	IV-A New Collectors	Construction of new sewer collection lines	\$ 1,900,000	1st & 2nd Round	4%	30	Yes	No			TBD	TBD
Central Valley WRF	UT0024392	II- Advanced Treatment	CVWRF WRF Upgrades	\$65,100,000	1st & 2nd Round	1.50%	20	Yes	No			18-Dec	24-Dec
Corinne City	UT0020931	III-B Sewer Replacement	Collection and treatment system improvements	\$7,234,900	1st & 2nd Round	TBD	TBD	TBD	Yes			TBD	TBD
Grantsville	UT0021130	II- Advanced Treatment	Construction of MBR treatment plant	\$34,000,000	1st & 2nd Round General Supp	TBD	TBD	TBD	TBD			TBD	TBD
Green River City	UT0025771	I-Secondary Treatment	Sewer collection and lagoon infrastructure improvements	\$5,000,000	1st & 2nd Round General Supp	TBD	TBD	TBD	Yes			TBD	TBD

Applicant	Permit Number	Needs Category	Project Description	Assistance Amount	Funding Type	Interest Rate	Term (YRS)	Equivalency	Exceeds Affordability Criteria	Additional Subsidy Amount (PF)	Green Project Reserve Amount	Binding Commitment/ Construction Start	Initiation of Operation
Combined Funding Sources													
Lewiston	UT0020214	III-B Sewer Replacement	Construction of trunkline	\$400,000	1st & 2nd Round General Supp	0%	30	Yes	Yes	\$1,000,000		TBD	TBD
Monticello City	UT0024503	I-Secondary Treatment	Wastewater plant upgrade	\$1,214,000	1st & 2nd Round	2.5%	20	TBD	No			TBD	TBD
Mt Pleasant	UTOP00128	I-Secondary Treatment	Wastewater plant upgrade	\$2,535,000	1st & 2nd Round	2.5%	20	TBD	No			TBD	TBD
North Fork SSD	UTOP00305	II- Advanced Treatment	Wastewater plant upgrade	\$2,850,000	1st & 2nd Round	TBD	TBD	TBD	No			TBD	TBD
North Logan	UT002199920	III-B Sewer Replacement	Upgrade of sewer trunkline	\$3,500,000	1st & 2nd Round General Supp	2%	30	Yes	No			TBD	TBD
Payson City	UT0020427	II- Advanced Treatment	Wastewater plant upgrade	\$13,500,000	1st & 2nd Round General Supp	0.50%	20	Yes	Yes	\$1,000,000	Being Assessed	22-Feb	25-Jan
Provo City	UT0021717	II- Advanced Treatment	Construction of new treatment plant	\$85,800,000	1st & 2nd Round General Supp	0.50%	20	Yes	Yes	\$7,000,000	\$19,633,000	18-Dec	25-Jan
Provo City (2024)	UT0021717	II- Advanced Treatment	Construction of third bioreactor	\$50,000,000	1st & 2nd Round General Supp	TBD	TBD	TBD	No			TBD	TBD
South Salt Lake City	See CVWRF	II- Advanced Treatment	CVWRF WRF Upgrades	\$2,413,000	1st & 2nd Round	0%	20	Yes	Yes	\$3,760,000		18-Dec	24-Dec
Wolf Creek WSD	TBD	X-Water Reuse	Construction of reuse storage ponds	\$6,404,000	1st & 2nd Round General Supp	2.5%	20	Yes	No		Being Assessed	TBD	TBD
Emerging Contaminants													
Snyderville Basin SID	UT0020001	II- Advanced Treatment	Construction of PFAS treatment pilot plant	\$1,700,000	Emerging Contaminants	N/A	N/A	N/A	N/A				2025-2026
Totals				\$325,439,225						\$22,704,600	\$20,135,937		

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 July 2023, the Division applied for \$213,000 in grant funding from FFY22.

The OSG program prioritizes green project reserve eligible projects in rural and distressed communities. As of the August 2023 allocation memo, non-federal cost share requirements no longer apply to portions of the grant that support rural or distressed communities. Therefore, a 20% cost share will only be applied to the portion of the total project which does not directly support these communities. For urban and non-distressed communities, the program requires the community to provide a 20% cost share. 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).

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

Applicant	Distressed/ Rural	Assistance Amount	Hardship Grant	Required Local Cost Share	Binding Commitment/ Construction Start	Construction End
Authorized Projects						
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		24-Jul	24-Sept
Washington Terrace Bioswale at Rohmer Park	No/Yes	\$103,230	\$21,000		23-Jun	No later than 24- Nov
Totals		\$357,600	\$56,000	\$63,908		

TABLE 3b – LIST OF POTENTIAL FUTURE PROJECTS

Applicant	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
	Totals	\$2,800,700

CHAPTER 5. Utah Wastewater Loan Program

The Utah Wastewater Loan program is a state-funded loan program similar to the SRF. Revenue for the UWLF 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 FY24 UTAH WASTEWATER LOAN FUND PROJECTS

Applicant	Assistance Amount	Interest Rate	Term (years)	Binding Commitment	Construction Start	Construction End
Closed Loans with Remaining Draws						
Grantsville	\$1,000,000	0%	20	24-Feb		
Hanksville	\$350,000	0%	30	24-Feb		
Kane County	\$549,000	0%	30	24-May		
South Salt Lake	\$7,867,000	0%	20	18-Dec	20-Feb	24-Jun
Spanish Fork City	\$4,500,000	1.12	20	24-Apr		24-Dec
Authorized Loans						
Long Valley	\$1,470,000	1.5%	20	TBD	TBD	TBD
Anticipated Loans						
N/A						
Total	\$15,736,000					

CHAPTER 6. Hardship Grant Fund

The State of Utah provides assistance from the Hardship Grant Fund 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 nonpoint 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 Fund.

TABLE 5 – LIST OF FY24 HARDSHIP GRANT FUND PROJECTS

Applicant	Assistance Amount	Type
Hardship Grants		
Big Water Town	\$52,500	Planning Grant
Corinne City	\$102,900	Planning Advance
Davis County Health Department	\$105,313	Planning Grant
Delta City	\$200,000	Short Term Design Loan
Delta City	\$200,000	Design Grant
Daggett County	\$60,000	Short Term Design Loan
Daggett County	\$95,000	Planning Grant
Grantsville	\$300,000	Design Advance
Hanksville Town	\$162,000	Design Advance
Hinckley Town	\$15,000	Planning Advance
Hyrum City	\$74,900	Short Term Loan
Kanab City	\$29,800	Planning Advance
Kane County Water Conservancy District	\$281,000	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
Mt. Pleasant	\$135,000	Hardship Grant
Richmond City	\$99,800	Short Term Loan
Spanish Fork	\$500,000	Construction Grant
Spring City	\$289,000	Design Advance
Town of Elwood	\$18,200	Planning Advance Grant
Town of Rockville	\$27,172	Planning Grant
Town of Stockton	\$20,000	Planning Grant
Virgin Town	\$60,000	Short Term Loan

Non-Point Source Grants		
Applicant	Assistance Balance	Type
Utah Department of Agriculture	\$5,278	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	\$4,715	NPS Grant
FY19 – FY24 Remaining Payments	\$1,734,716	Various NPS Grants
FY25 – New Projects	\$1,000,000	Various NPS Grants
Total	\$7,306,137	

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 FY24 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 Fund.

7.1 Cash Flow Projections – State Revolving Fund

TABLE 6 – FY24 STATE REVOLVING FUND

STATE REVOLVING FUND (SRF)			
Funds Available	2024	2025	2026
Capitalization Grants Awards (FFY22-23)	\$ 12,732,240		-
State Match (FFY22-23)	\$ 1,728,200		-
Future Capitalization Grants (est.)	-	\$22,002,520	\$ 11,277,424
Future State Match (est.)	-	\$3,494,900	\$2,433,805
SRF - 2nd Round	\$ 14,452,023	\$ (33,546,246)	\$6,056,368
Interest Earnings at 5.4314%	\$ 65,412	-	-
Loan Repayments (5255)	-	\$17,307,194	\$ 17,225,194
Total Funds Available	\$28,977,875	\$9,258,368	\$36,992,791
Project Obligations			
Hanksville Town	\$ (1,718,000)	-	-
Millville City	\$ (2,750,000)		
Moab City	\$ (80,000)		
Mountain Green	\$ (584,000)	-	-
Payson City	\$ (14,425,000)	-	-
Provo City	\$ (17,656,121)	-	-
South Salt Lake City (A)	\$ (2,584,000)		
Loan Authorizations			
Ash Creek SSD - Virgin	\$ (6,876,000)	-	-
Brian Head	\$ (1,900,000)		
Lewiston	\$ (3,500,000)		
Long Valley	\$ (1,250,000)	-	-
North Logan	\$ (3,500,000)	-	-
Monticello	\$ (1,214,000)		
Mt. Pleasant	\$ (2,535,000)		
Wolf Creek	\$ (3,202,000)	\$ (3,202,000)	
Total Obligations	\$ (62,524,121)	\$ (3,202,000)	
SRF Unobligated Funds	\$ (33,546,246)	\$6,056,368	\$36,992,791

7.2 Cash Flow Projections – Utah Wastewater Loan Fund

TABLE 7 – FY24 UTAH WASTEWATER LOAN FUND

UTAH WASTEWATER LOAN FUND (UWLF)			
Funds Available	2024	2025	2026
UWLF	\$37,793,212	\$23,422,012	\$24,228,124
Sales Tax Revenue	-	\$3,587,500	\$3,587,500
Loan Repayments (5260)	-	\$2,638,912	\$2,565,360
Total Funds Available	\$37,793,212	\$29,648,424	\$30,380,984
General Obligations			
State Match Transfers	\$ (1,728,200)	\$ (3,494,900)	\$ (2,433,805)
DWQ Administrative Expenses	-	\$ (1,925,400)	\$ (1,925,400)
Project Obligations			
Grantsville	\$ (750,000)	-	-
Hanksville	\$ (150,000)	-	-
South Salt Lake City (B)	\$ (4,891,000)	-	-
South Salt Lake City (C)	\$ (982,000)	-	-
Spanish Fork	\$ (4,400,000)	-	-
Loan Authorizations			
Long Valley	\$ (1,470,000)	-	-
Total Obligations	\$ (14,371,200)	\$ (5,420,300)	\$ (4,359,205)
UWLF Unobligated Funds	\$23,422,012	\$24,228,124	\$26,021,779

7.3 Cash Flow Projections – Hardship Grant Funds

TABLE 8 – FY24 HARDSHIP GRANT FUND

HARDSHIP GRANT FUND (HGF)			
Funds Available	2024	2025	2026
Beginning Balance	-	\$3,712,310	\$3,761,423
Federal HGF Beginning Balance (5250)	\$2,352,774	-	-
State HGF Beginning Balance (5265)	\$7,105,968	-	-
Hardship Grant Assessments (5255)	-	\$753,214	\$657,624
Interest Payments (5260)	-	\$295,899	\$276,384
Total Funds Available	\$9,458,742	\$4,761,423	\$4,695,431
Financial Assistance Project Obligations			
Delta - Design Grant	\$ (73,100)	-	-
Dutch John - Planning	\$ (95,000)	-	-
Dutch John - HGF Loan	\$ (60,000)	-	-
Eagle Mountain City - Construction Grant	\$ (510,000)	-	-
Elwood - Planning	\$ (18,200)	-	-
Grantsville - Design Advance	\$ (300,000)	-	-
Kanab City Planning Advance	\$ (29,800)	-	-
Kane County - Hardship Grant	\$ (281,000)	-	-
Long Valley - Design	\$ (84,300)	-	-
Millville City - Construction Grant	\$ (1,000,000)	-	-
Rockville Town - Hardship Grant	\$ (18,832)	-	-
Spanish Fork - Hardship Grant	\$ (500,000)	-	-
Spring City - Design Advance	\$ (56,070)	-	-
Hardship Grant Authorizations			
Corinne City - Planning Advance	\$ (135,000)	-	-
Hyrum - Short Term Loan	\$ (99,800)	-	-
Mt. Pleasant - Hardship Grant	\$ (74,900)	-	-
Richmond - Short Term Loan	\$ (60,000)	-	-
Virgin Town - Short Term Loan	\$ (102,900)	-	-
Non-Point Source/Hardship Grant Obligations			
OSG Cost Share Balances (FY20-21)	\$ (56,000)	-	-
McKees ARDL interest-rate buy down	\$ (55,261)	-	-
Munk Dairy ARDL interest-rate buy down	\$ (16,017)	-	-
(FY12) Utah Department of Agriculture	\$ (5,278)	-	-
(FY15) DEQ - Ammonia Criteria Study	\$ (27,242)	-	-
(FY17) DEQ - Utah Lake Water Quality Study	\$ (348,301)	-	-
(FY19) USU - Nutrient Concentrations Paleolimnology of Utah Lake	\$ (4,715)	-	-

FY 2019 - Remaining Payments	\$ (45,522)	-	-
FY 2020 - Remaining Payments	\$ (36,548)	-	-
FY 2021 - Remaining Payments	\$ (84,796)	-	-
FY 2022 - Remaining Payments	\$ (395,915)	-	-
FY 2023 - Remaining Payments	\$ (452,896)	-	-
FY 2024 - Remaining Payments	\$ (719,039)	-	-
Future NPS Annual Allocations	-	(\$1,000,000)	(\$1,000,000)
Total Obligations	\$ (5,746,433)	(\$1,000,000)	(\$1,000,000)
HGF Unobligated Funds	\$ 3,712,310	\$3,761,423	\$3,695,431

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 State Revolving Fund, 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 SOURCES AND USE TABLE

STATE REVOLVING FUND (SRF)			
	SFY 2025	SFY 2026	SFY 2027
Beginning Fund Balance	\$14,515,590	\$ (94,838,922)	\$ (104,010,020)
Undrawn Federal Funds – 2022 Base Cap Grant	\$19,727	-	-
Undrawn Federal Funds – 2022 General Supplemental Cap Grant	\$5,840	-	-
New Federal Awards – Base Cap Grants	\$3,952,000	\$4,302,000	\$4,302,000
New Federal Awards – General Supplemental Cap Grants	\$32,344,000	\$12,169,025	\$12,169,025
State Match – Base Program	\$790,400	\$860,400	\$860,400
State Match – General Supplemental	\$4,432,700	\$2,433,805	\$2,433,805
Repayments from SRF Loans	\$17,307,194	\$17,225,194	\$16,977,794
Interest Earnings	\$722,647	\$0	\$0
Total Fund Revenue	\$74,090,097	\$ (57,848,498)	\$ (67,266,996)
Projected Disbursements for Loan Obligations	\$ (39,797,121)	-	-
Projected Disbursements for Loan Authorizations	\$ (25,929,000)	-	-
Projected Disbursements for Planned Projects	\$ (101,667,225)	\$ (45,585,081)	\$ (20,000,000)
Administration	\$ (1,535,673)	\$ (576,441)	\$ (531,601)
Total Estimated Expenses	\$ (168,929,019)	\$ (46,161,522)	\$ (20,531,601)
Total Funds Available for Projects	\$ (94,838,922)	\$ (104,010,020)	\$ (87,798,597)

CHAPTER 9. Project Priority List (PPL)

Pursuant to 40 CFR Part 31.3115, all wastewater treatment works projects must appear on the Project Priority List to be eligible for funding assistance. After applications are accepted, they are scored, added to the PPL, and then presented to the Board. The scoring system assesses projects based on various factors, including environmental benefits, public health impact, project readiness, and special consideration, as identified in R317-100-3. See Appendix C, Project Priority Sheet.

Please refer to Table 10 for the list of projects for which funding applications have been submitted.

State of Utah Wastewater Project Assistance Program Project Priority List

As of August 12, 2024

TABLE 10 – FY24 PROJECT PRIORITY LIST

Rank	Project Name	Funding Authorized	Total Points	Point Categories			
				Project Need	Potential Improvement	Population Affected	Special Consideration
1	Grantsville	R	140	50	23	7	60
2	Provo	R	131	50	18	10	60
3	Beaver	O	109	40	5	4	60
4	Corinne City	O	107	50	16	1	40
5	North Logan	X	86	25	14	7	40
6	Mt Pleasant	X	79	10	5	4	60
7	Ash Creek - Virgin Town	X	64	25	18	1	20
8	Monticello	X	61	0	19	2	40
9	Lewiston City	X	60	25	14	1	20
10	Wolf Creek	X	57	10	5	2	40
11	North Fork SSD	O	36	10	5	1	20

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

Appendix A. Financial Burden Policy



FINANCIAL BURDEN EVALUATION POLICY FOR THE UTAH WASTEWATER PROJECT ASSISTANCE PROGRAM

BACKGROUND

The Utah Water Quality Board (the Board) directed Division of Water Quality staff to create a policy to better evaluate the financial burden placed on communities by the various funding alternatives. In addition, the Board directed staff to incorporate the economic factors into this policy contained in Utah Administrative Code (UAC) R317-101-4.B. This policy will be used by staff in preparation of the Introduction and Authorization Reports for wastewater project assistance presented to the Board. The Board will utilize the policy in determining the appropriate funding package for a project.

POLICY

To clarify and standardize the evaluation of a community's Financial Burden in relation to funding requests, the following procedures will be implemented by staff. In general, a static cost model will be used in evaluating interest rates on loans and resulting monthly rates in relation to a community's modified median adjusted gross income (modified MAGI). In addition, staff will calculate a Financial Need Indicator (FNI) and a resulting Financial Burden.

Staff will utilize data from the census website (<https://data.census.gov/cedsci/>) to collect a community's indicator values and State of Utah average indicator values. Table 1 will then apply the range scoring criteria to determine a score for each indicator in relation to the State average value. Definitions and descriptions of the indicators including how to source the values are included at the end of this policy.

TABLE 1: Financial Need Indicator Ranges

INDICATORS	RANGE SCORING CRITERIA	Census Data Code - 5 Year ACS Table
Unemployment Rate	2% less than State = 1, between 2% less to 2% more than State average = calculated between 1 and 3; Above 2% = 3	S2301
Poverty Status	Less than State = 1, between 0-10% more = calculated between 1 and 3; more than 10% = 3	S1701
Threshold Lowest Quintile Income (LQI)	More than State average = 1, Local value is 100% to 50% of State LQI = calculated from 1 to 3, Less than 50% of State = 3	B19080
10 Year Population Percent Increase	More increase than state average = 1, Local increase is 100% to 0% of State average = calculated from 1 to 3, Any percent decrease = 3	B01003

Table 2 will be used by DWQ Staff to calculate a Financial Need Indicator (FNI) for a community and will be included in the Estimated Annual Cost for Sewer Service section of Feasibility Reports. The local and State indicator values from the census website will be entered in Table 2 and then scored in relation to Table 1. Further, the scores will be multiplied by weighting factors, previously set by the Board, to calculate a weighted score. Finally, the weighted scores will be summed and divided by the sum of the weighting factors for a resulting Financial Need Indicator from 1 to 3.

Appendix A. Financial Burden Policy

TABLE 2: Financial Need Indicator Calculation

INDICATORS	Local Value	State Value	Score	Weighting Factor	Weighted Score
Unemployment Rate				4	
Poverty Status				2.5	
Threshold LQI				2.5	
10 Year Population Percent Increase				1	
Financial Need Indicator (Sum of weighted Scores/10)					

The Modified MAGI for a community will be used along with the FNI in the matrix found in Table 3 to determine the financial burden of the community on a scale from Low to High.

TABLE 3: Financial Burden Matrix

FNI	Modified MAGI				
	Below 1.4%	1.4% to 1.75%	1.75% to 2.1%	2.1% to 2.45	Above 2.45
Below 1.5	Low	Low	Medium	Medium	High
1.5 to 2.5	Low	Medium	Medium	High	High
Above 2.5	Medium	Medium	High	High	High

The following statement will be included in the Estimated Annual Cost for Sewer Service Section of Feasibility Reports:

“Based on the Financial Burden Evaluation Policy for the Utah Wastewater Project Assistance Program, the community has a Financial Burden of: (Low/Medium/High).”

IMPLEMENTATION

The Utah Wastewater Project Assistance Program application will be updated to include the following table:

Additional Financial Need Metrics

	Local Value
Local Unemployment Rate	
Local Poverty Rate	
Local Threshold LQI	
Local 10 Year Population Percent Increase	

POLICY IMPACTS

The Financial Burden Evaluation Policy for the Utah Wastewater Project Assistance Program does not alter the Board’s hardship grant consideration threshold contained within UAC R317-101-4. This policy will be used to inform the Board and staff as a tool to evaluate staff funding package recommendations. It does not create requirements for funding package offered by the Board, as the Board makes the final decision on any financing package, and may take other factors into consideration in making that decision.

Appendix A. Financial Burden Policy

DEFINITIONS AND DESCRIPTIONS

To calculate the FNI, staff will utilize data from the census website (data.census.gov/cedsci/). The census data is available by entering a community and the reference table number into the search bar. Typically, up to 10 years of data tables are available and for this policy staff will utilize the American Community Survey (ACS) 5-year estimate tables. The indicator parameters evaluated in this policy are the following:

- **Modified MAGI** – Is the modified median adjusted gross income as reported on the Division of Drinking Water’s (DDW) website currently at <https://deq.utah.gov/drinking-water/magi-by-city>. Modified MAGI is calculated by the Utah State Tax Commission by City or for entities that are that are not listed or are not located in a city it is reported by zip code and currently at <https://deq.utah.gov/drinking-water/magi-zip-code>. The modified MAGI equivalent to approximately 1.4 time the Median Household Income.
- **10-Year Population Percent Increase** evaluates the 10-year change in a community’s population compared to the average State of Utah 10-year population change. Indicator values are found in Table B01003 (Total Population). [Row: Total. Column: Estimate.] The indicator value is calculated based on the most recent year ACS 5-Year population less the 10 year ago ACS 5-Year population divided by the 10 years ago ACS 5-Year population.
- **Poverty Status** evaluates a community’s poverty rate compared with the average State of Utah poverty rate. Indicator values are found in Table S1701 (Poverty Status in the past 12 months). [Row: Population for whom poverty status is determined. Column: Percent below poverty level.]
- **Threshold of Lowest Quintile Income (LQI)** evaluates the upper income of the lowest 20% of a community’s population compared with the average State of Utah LQI. Indicator values are found in Table B19080 (Household Income Quintile Upper Limits). [Row: Lowest Quintile. Column: Estimate.]
- **Unemployment Rate** evaluates the local unemployment rate compared with the average State of Utah Table S2301 (Employment Status). [Row: Population 16 years and over. Column: Unemployment Rate -Estimate]

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Appendix B. Interest Rate Factors

Table 11 provides how interest rate recommendations are determined for each project. Recommended discounts are given in similar tables for individual projects. Consideration begins with the 20-year market rate.

TABLE 11 – INTEREST RATE FACTORS

Market Rate (20-year basis)		
Discount Factors	Maximum Discount Related to Market Rate	Recommended Discount
SRF Non-Equivalency Requirements	12.5%	calculated
SRF Equivalency Requirements	25%	calculated
Rural Community*	25%	calculated
Fiscal Sustainability Credit	6.25%	calculated
Existing Asset Management Plan	6.25%	calculated
Green Project Reserve	12.5%	calculated
Regionalization	6.25%	calculated
Economic Hardship**	100%	calculated
Recommended Interest Rate	calculated	

*Staff has historically interpreted this to only apply to projects that serve existing primary residences and not for development.

** Staff has historically interpreted this rate reduction for economic hardship based on the Financial Burden Indicator. Staff has estimated a rate reduction of 0%-50% for Low burden, 0%-75% for Medium burden, and 0%-100% for High burden.

Appendix C. Project Priority Sheet

PROJECT PRIORITY LIST DATA SHEET			
PROJECT NAME:		Staff Reviewer:	
PROJECT STATUS:		II. POTENTIAL FOR IMPROVEMENT POINTS	
1. New interceptor and treatment.		1. Discharge Stream	(name of water body)
2. Improve system to meet secondary standards.		Water Use Classification	1A, 2A, 3B, 4, etc.
3. Improve treatment to meet water quality standards.		Classified Water Use Point Total:	
4. Future needs for interceptor and/or treatment		2. Discharge Standard Factor:	
5. Future needs for improvement and/or expansion		3. Water Quality Use Restoration:	
6. Project in planning phase		4. Estimated improvement:	
7. Project in design phase			
8. Project under construction		III. POPULATION POINTS:	
9. Other (describe)		Population Served:	
		Data Source:	(lots, ERUs, GOF)
I. PROJECT NEED POINTS:		IV. SPECIAL CONSIDERATION POINTS:	
1. Documented substantial health hazard		1. interceptor sewer necessary to regionalization plan	
2. Raw sewage discharge		2. Project needed to preserve high quality waters	
3. Impaired surface WQ standards (R317-2)		Project will change facility's sludge disposal practice from non-beneficial to beneficial use method	
4. Impaired ground WQ standards (R317-6)		3. Users of proposed project are subject to documented water conservation plan	
5. Need to provide secondary treatment or meet UPDES or ground water permit or Sludge regs.		4. The sponsor of the proposed project has completed and submitted the most recent Municipal Wastewater Planning Program (MWPP) questionnaire	
6. Documented WQ degradation due to septic		5. The sponsor of the proposed project, or its member entities, is certified as meeting the requirements for a Quality Growth Community	
7. Chronic failure of on-site systems		6. TOTAL POINTS	
8. 95% capacity		I. PROJECT NEED:	0
9. Facilities do not meet design criteria in R317-3 or 6		II. POTENTIAL FOR IMPROVEMENT	0
10. Existing GW, pollution, or public health concerns		III. POPULATION	0
11. Regionalization		IV. SPECIAL CONSIDERATION	0
12. Future needs for existing system			
13. Future needs for new system			
Reviewer Initials:		Date:	

Appendix C. Project Priority Sheet

GUIDANCE FOR SCORING PROJECT NEED: R317-100-3.B.	
All projects receive the highest applicable point level only	Points Project
<p>1. Documented substantial health hazard: A documented existing substantial health hazard will be eliminated by the project. This may include: (1) discharge of inadequately treated wastewater to an area of immediate public contact where inadequate operation and maintenance is not the primary cause of the condition; (2) an area where a substantial number of failing subsurface disposal systems are causing surfacing sewage in areas of human habitation. The elimination of existing substantial health hazards is of highest priority. The determination of the existence of substantial health hazards shall be based upon the investigation, report, and certification of the local health department and the State Division of Water Quality. Such reports and certifications will be forwarded to EPA with the Priority List. The health hazard designation will normally apply to unsewered communities experiencing widespread septic tank failures and surfacing sewage: 70 points.</p>	
<p>2. Raw sewage discharge: A raw sewage discharge will be eliminated or prevented: 60 points</p>	
<p>3. Impaired surface WQ standards (R317-2): The surface water quality standards identified in R317-2 are impaired by an existing discharge. For points to be allotted under this criterion the affected stream segment must be "water quality limited" according to a wasteload analysis and water quality standards. Water quality standards have been established for the waters of Utah according to designated beneficial use classifications. A stream segment is considered to be "water quality limited" if a higher level of treatment than that which is provided by state effluent limitations is required to meet water quality standards. A stream segment is "effluent limited" if water quality standards are met by state imposed effluent limitations: 50 points.</p>	
<p>4. Impaired ground WQ standards (R317-6): The ground water quality standards identified in R317-6 are impaired by an existing discharge. For points to be allotted under this criterion the affected ground water must be impaired according to the numerical criteria outlined in the ground water protection levels established for Class I and II aquifers: 50 points.</p>	
<p>5. Need to provide secondary treatment or meet UPDES or ground water permit or Sludge regs: Construction is needed to provide secondary treatment, or to meet the requirements of a Utah Pollution Discharge Elimination System (UPDES) Permit or Ground Water Discharge Permit, or the Federal Sludge Disposal Requirements: 50 points.</p>	
<p>6. Documented WQ degradation due to septics: Documented water quality degradation is occurring, attributable to failing individual subsurface disposal systems where inadequate operation and maintenance is not the primary cause of the condition: 45 points.</p>	
<p>7. Chronic failure of on-site systems: Areas not qualifying as an existing substantial health hazard, but where it is evident that inadequate on-site conditions have resulted in the chronic failure of a significant number of individual subsurface disposal systems, causing an ongoing threat to public health or the environment. Points may be awarded in this category only when the Division of Water Quality determines that existing on-site limitations cannot be overcome through the use of approved subsurface disposal practices, or that the cost of upgrading or replacing failed systems to meet the minimum requirements of the local health department are determined to be excessive: 45 points.</p>	
<p>8. 95% capacity: Treatment plant loading has reached or exceeded 95 percent of design requirements needed to meet conditions of an UPDES Permit or needed to restore designated water use, or design requirements are projected to be exceeded within 5 years by the Division of Water Quality. Points will not be allocated under this criterion where excessive infiltration or inflow is the primary cause for the loading to the system to be at 95 percent or greater of design requirements: 40 points.</p>	
<p>9. Facilities do not meet design criteria in R317-3 or 6: Existing facilities that do not meet the design requirements in R317-3. Points may be allocated under this category only if the design requirements that are not being met are determined to be fundamental to the ability of the facility to meet water quality standards: 40 points.</p>	
<p>10. Existing GW, pollution, or public health concerns: Interceptor sewers, collection systems, pump stations and treatment, where applicable, are needed to solve existing pollution, ground water, or public health concerns: 35 points.</p> <p>a. Points may be awarded under this category only if they will primarily serve established residential areas and only if they are needed to solve existing pollution or public health problems.</p> <p>b. Points shall not be awarded under this category where an interceptor is proposed for newly developing recreational communities, resorts, or unincorporated subdivisions.</p> <p>c. Points may be awarded under this category when the majority of existing septic systems are located in defined well head protection zones or principal ground water recharge areas to Class I and II aquifers.</p>	
<p>11. Regionalization: Interceptor sewers, collection systems, pump stations and treatment, where applicable, are needed to accomplish regionalization or eliminate existing treatment facilities. Points shall not be awarded under this category where an interceptor is proposed for newly developing recreational communities, resorts, or unincorporated subdivisions: 25 points.</p>	
<p>12. Future needs for existing system: Communities having future needs for wastewater facilities construction at existing wastewater systems, not included above, which are consistent with the goals of the Federal Water Pollution Control Act: 10 points.</p>	
<p>13. Future needs for new system: Communities having future needs for new treatment plants and interceptors, not included above, which are consistent with the goals of the Federal Water Pollution Control Act: 5 points.</p>	
Reported Point Total	

Appendix C. Project Priority Sheet

GUIDANCE FOR SCORING POTENTIAL FOR IMPROVEMENT FACTOR: R317-100-3.C.	
The PIF priority point sub-total is obtained by adding the points obtained in each of the four subcategories. Total PIF points = Classified Water Use + Discharge Standard Factor + Restoration from Water Quality Standard Violation + Estimated Improvement.	Points Project Receives
1. <u>Classified Water Use.</u> Priority points under this subcategory are allotted in accordance with segment designations listed in R317-2-13, Classifications of Waters of the State. Points are cumulative for segments classified for more than one beneficial use.	
a. Protected as a raw water source of culinary water supply; R317-2-13 Use Classes: 1A, 1B, or 1C: 4 points.	
b. Protected for primary contact recreation (swimming); R317-2-13: 2A: 4 points.	
c. Protected for secondary contact recreation (water skiing, boating and similar uses); R317-2-13: 2B: 3 points.	
d. Protected for cold water species of game fish and other cold water aquatic life, including the necessary aquatic organisms in their food chain; R317-2-13: 3A: 3 points.	
e. Protected for warm water species of game fish and other warm water aquatic life, including the necessary aquatic organisms in the food chain; R317-2-13: 3B: 3 points.	
f. Protected for non-game fish and other aquatic life, including the necessary aquatic organisms in their food chain; R317-2-13: 3C: 2 points.	
g. Protected for waterfowl, shore birds and other water-oriented wildlife not included above, including the necessary aquatic organisms in their food chain; R317-2-13: 3D: 2 points.	
h. Protected for agricultural, industrial, and "special" uses; R317-2-13: 4, 5, and 6: 1 point.	
2. <u>Discharge Standard Factor.</u> Priority points are allotted as follows:	
a. Project discharge standards are water quality based: 5 points.	
b. Project must meet secondary effluent treatment standards: 2 points.	
c. Project does not discharge to surface waters: 0 points.	
3. <u>Restoration from Water Quality Standard Violation.</u>	
a. Project WILL RESTORE Designated Water Use: 5 points.	
b. Project WILL NOT RESTORE Designated Water Use: 0 points.	
c. Points under this subcategory are assigned on the basis of whether appropriate water quality standard(s) can be restored if the respective project is constructed and any other water quality management controls are maintained at present levels. For a project to receive points under this subcategory, data from a State-approved waste load analysis must generally show that the designated water use is substantially impaired by the wastewater discharge and that the proposed project will likely restore the numerical water quality standards and designated use(s) identified in R317-2-12 and R317-2-14 for the waterbody.	
d. Points may not be assigned under this subcategory if nonpoint source pollution levels negate water quality improvement from the proposed construction, if numerical standards or actual levels of pollutants being discharged are questionable, if serious consideration is being given to the redesignation of the stream segment to a lower classification, or if numerical standards for specific pollutants are inappropriately low for the classified water use.	
4. <u>Estimated Improvement.</u> Estimated Improvement in Stream Quality or Estimated Improvement in Environmental Quality including Presently Unsewered Communities and Sewered Communities with Raw Sewage Discharges. Points in this category shall be allocated based upon the judgment of the Division of Water Quality Staff and on the nature of the receiving water and surrounding watershed. Consideration shall be given to projects which discharge into Utah priority stream segments as identified in the biennial water quality report (305(b)). The criteria used to develop the Stream Segment Priority List may be used to evaluate projects on other streams not on the Stream Segment Priority List. These criteria include the existing use impairment, the overall index from a use impairment analysis, the potential for use impairment, the downstream use affected, the population affected, the amount of local interest and involvement toward improving the stream quality, the presence of endangered species, and the beneficial use classification. Activities within the watershed that are aimed at reducing point and nonpoint sources of pollution may also be considered in the allocation of points. In addition, the effect of a discharge or proposed change in a discharge on the chemical and biological quality of the receiving stream may be considered in the determination of points. Only those projects which will significantly improve water quality or environmental quality and will restore or protect the designated uses or eliminate public health hazards shall be given the maximum points allowable. Fewer points can be given in instances where some significant improvement will be achieved if a project is constructed.	
a. The project is essential immediately, and must be constructed to protect public health or attain a high, measurable improvement in water quality: 20 points.	
b. The project will likely result in a substantial level of improvement in water quality or public health protection: 10 points.	
c. Some level of water quality improvement or public health protection would likely be provided by the construction of the project, but the effect has not yet been well established. Also, present facilities lack unit processes needed to meet required discharge standards: 5 points.	
d. No significant improvement of water quality or public health protection would likely be achieved, at present, by a project: 0 points.	

Appendix C. Project Priority Sheet

<u>GUIDANCE FOR SCORING POPULATION AFFECTED: R317-100-3.D.</u>	
For sewerred communities, priority points are based on the population served by a treatment facility. For unsewerred areas, points are based on the population of the affected community.	Points Project Receives
1. Greater than 80,000: 10 points.	
2. 40,000 - 80,000: 9 points.	
3. 20,000 - 40,000: 8 points.	
4. 10,000 - 20,000: 7 points.	
5. 5,000 - 10,000: 6 points.	
6. 4,000 - 5,000: 5 points.	
7. 3,000 - 4,000: 4 points.	
8. 2,000 - 3,000: 3 points.	
9. 1,000 - 2,000: 2 points.	
10. Less than 1,000: 1 point.	

<u>GUIDANCE FOR SCORING SPECIAL CONSIDERATIONS: R317-100-3.E.</u>	Points Project Receives
1. <u>Interceptor sewer necessary to regionalization plan:</u> The proposed project is an interceptor sewer which is part of a larger regional plan and is necessary to maintain the financial, environmental or engineering integrity of that regionalization plan: 20 points, or	
2. <u>Project needed to preserve high quality waters:</u> The project is needed to preserve high quality waters such as prime cold water fishery and anti- degradation segments: 20 points.	
3. <u>Project will change facility's sludge disposal practice from non-beneficial to beneficial use method:</u> The proposed project will change the facility's sludge disposal practice from a non-beneficial use to a beneficial use method: 20 points.	
4. <u>Users of proposed project are subject to documented water conservation plan:</u> The users of the proposed project are subject to a documented water conservation plan: 20 points.	
5. <u>The sponsor of the proposed project has completed and submitted the most recent Municipal Wastewater Planning Program (MWPP) questionnaire:</u> The sponsor of the proposed project has completed and submitted the most recent Municipal Wastewater Planning Program (MWPP) questionnaire: 20 points.	
6. <u>The sponsor of the proposed project, or its member entities, is certified as meeting the requirements for a Quality Growth Community:</u> 20 points.	