

Drinking Water

Board Packet

February 27, 2014

Agenda



State of Utah

GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

Department of
Environmental Quality

Amanda Smith
Executive Director

DIVISION OF DRINKING WATER
Kenneth H. Bousfield, P.E.
Director

Drinking Water Board
Paul Hansen, P.E., *Chairman*
Betty Naylor, *Vice-Chairman*
Brett Chynoweth
Tage Flier
Heather Jackson
Brad Johnson
Natasha Madse
David Stevens, Ph.D.
Mark Stevens, M.I.
Kenneth H. Bousfield, P.E.
Executive Secretary

DRINKING WATER BOARD
MEETING

February 27, 2014

2:00 p.m.

Dixie Convention Center, Garden Room
1835 Convention Center Drive
St. George, Utah 84790

Ken Bousfield's Cell Phone #: (801) 674-2557

1. Call to Order – Chairman Hansen
2. Roll Call – Ken Bousfield
3. Introductions – Chairman Hansen
4. Elections of Chairman and Vice Chairman
5. Approval of the Minutes
 - a. January 17, 2014
 - b. January 30, 2014
6. Financial Assistance Committee Report
 1. Status Report – Michael Grange
 2. Project Priority List – Michael Grange
 3. SRF Applications
FEDERAL:
 - a. Forest Glen A (Rich Peterson)
 4. OTHER:
 - a. Hanna Water and Sewer – Michael Grange
 - b. Historical use of grant/principal forgiveness in Utah's SRF program
7. *R309-545 Drinking Water Storage Tanks & R309-550 Transmission and Distribution Pipelines* - Rule Revision Status & Solicitation of Informal Comments – Tammy North
8. Chairman's Report

9. Director's Report
 - a. Legislative Update
 - b. DDW's Involvement at the RWAU Conference

10. Next Board Meeting:
 - Date: May 9, 2014
 - Time of Board Meeting: 1:00 p.m.
 - Location: DEQ's Board Room, # 1015
195 North 1950 West
Salt Lake City, Utah 84116
 - Phone: (801) 536-4200

11. Other

12. Adjourn

In compliance with the American Disabilities Act, individuals with special needs (including auxiliary communicative aids and services) should contact Brooke Baker, Office of Human Resources, at: (801) 536-4412, TDD (801) 536-4424, at least five working days prior to the scheduled meeting.

Agenda Item 5a



State of Utah

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Kenneth H. Bousfield, P.E.
Executive Secretary

MINUTES OF THE DRINKING WATER BOARD MEETING HELD ON JANUARY 17, 2014
HELD IN SALT LAKE CITY, UTAH AT 1:30 P.M.

BOARD MEMBERS PRESENT

Paul Hansen, Chair
Betty Naylor, Vice Chair
Brett Chynoweth
Heather Jackson
Brad Johnson
Natasha Madsen
David Stevens
Mark Stevens

BOARD MEMBERS EXCUSED

Tage Flint

STAFF

Ken Bousfield
Michael Grange
Kate Johnson

GUESTS

Dave Prevedel, Sheep Creek Cove Homeowners
Fred Hellstrom, Pleasant View City
Matt Hartvigsen, Pleasant View City
Valerie Clawson, Pleasant View City
Melinda Brimhall Greenwood, Pleasant View City
Alan Westernskow, Zions Bank/Pleasant View City
Jodi Davis, Liberty Pipeline Company
Doug Nielson, Sunrise Engineering
Alane Boyd, AWWA Intermountain Section
Curtis Ludvigson, Rural Water Association
Terry Smith, Rural Water

STAFF CONTINUED

Jesse Johnson
Bob Hart
Linda Matulich
Heather Bobb

ITEM NO. 1 – CALL TO ORDER

The Drinking Water Board convened at 1:00 p.m. in Salt Lake City, Utah with Chairman Paul Hansen presiding.

ITEM NO. 2 – ROLL CALL

Chairman Hansen asked Ken Bousfield to call roll of the Drinking Water Board members. The roll call showed there were 7 members present. Tage Flint was excused. Mark Stevens joined after the roll call.

ITEM NO. 3 – INTRODUCTIONS

Chairman Hansen asked the guests to introduce themselves.

ITEM NO. 4 – APPROVAL OF THE MINUTES

Chairman Hansen stated a motion was in order to approve the Drinking Water Board minutes of November 8, 2013.

David Stevens moved to approve the November 8, 2013 Drinking Water Board minutes.

Natasha Madsen seconded.

CARRIED

(Unanimous)

ITEM NO. 5 – FINANCIAL ASSISTANCE COMMITTEE REPORT

1. Status Report

Michael Grange reported on the projects that staff has been involved in and the progress that staff has made on them since the November 8, 2013 Drinking Water Board meeting. Since November, we have closed three loans on authorized projects. We have closed three loans for Eagle Mountain City, Cedarview Montwell Special Service District, and for Mendon City. Total value for those loans is about \$6,100,000. In addition to that, construction for the following projects has been completed and their project files are ready to be archived: Brigham City, Copperton City, East Grouse Creek Pipeline, Bear River Water Conservancy District, Beaver Dam, and Canyon Meadows Mutual Water Company. With that action we still have 7 projects outstanding that have been authorized but not yet closed.

Brian Friel, the EPA Region 8 contact for our SRF program sent us an e-mail on January 8, 2014, letting us know that he will be coming in February to audit our program. He will review project files and federal draw records. With the e-mail he sent us a summary of our program metrics. The SRF program is well within established parameters. We are currently using the fiscal year 2013 Capitalization Grant. That means we are spending our money quickly. That is something EPA and Congress like to see. The last 18 months or so there the emphasis has been on unliquidated obligations. EPA has commended Utah as one of the top states with a low level of unliquidated obligations.

The Appropriations and the Drinking Water program conference bill passed through the House on Tuesday January 14, 2014. We are waiting for confirmation from the Senate on passing this bill. The SRF Program is in great shape. Congress is directing EPA to prepare a report on the way EPA and the States have used the additional subsidization authority. Information requested will include the number and amounts of loans awarded with additional subsidization, the communities that received those loans, and a description of the projects. The Buy American Provision isn't as stringent as it was under the Recovery Act of 2009.

The state loan fund, on page 1, currently we are doing very well in the state loan fund. We have no actions for the state program for this meeting. We currently have about \$2.3 million in the state fund. Over the course of the next 12 months between now and January 1, 2015, we are expecting to have about \$8,500,000 for the drinking water systems to use the state fund. The State fund is reserved only for political subdivisions of the State, which is for cities and towns, etc. The \$8.5 million includes the reduction for State match for the 2014 Capitalization Grant.

Page 2 is a detail of those projects that are currently authorized, but not yet closed as well as planning loans, other projects that are currently in the process of being constructed and the money spent. There is approximately \$3,500,000 that is authorized for those projects. Overall the State program is in good shape.

The federal fund is healthy right now. We currently have about \$19,200,000, which includes the \$20,000,000 in the seven projects authorized but not yet closed. It also includes about \$22,000,000 in authorized planning advances and partially disbursed loan money on projects currently under construction. Over the course of the next 12 months with our Capitalization Grant and our repayment stream by January 1, 2015 we are expecting about \$35,500,000 in our federal SRF program with which we can provide funding to our water systems in Utah.

The top of page 2 details those 7 projects that I talked about for a total of \$20,284,000. We have committed planning agreements and partially disbursed loans totaling about \$21,500,000 and Hardship Grant projects totaling about \$670,000.

Page 3 is a further breakdown of those funds and whether the money is classified as first round, second round or Hardship Grant fund.

2. Project Priority List

Michael Grange reported two new projects have been added to the Project Priority List; Sheep Creek Home Owners Association and Woodland Hills.

Sheep Creek Home Owners Association has 6 points. Their project consists of an additional point of diversion including treatment.

Pleasant View has 3.4 points. Their project consists of a new well and reservoir.

Heather Jackson moved the Drinking Water Board approve the updated Project Priority List.

Brett Chynoweth seconded.

**CARRIED
(Unanimous)**

3. SRF Applications

FEDERAL:

a. Sheep Creek Cove HOA

Jesse Johnson reported Sheep Creek Cove HOA is requesting \$90,000,000 in financial assistance to construct a new point of diversion for their water source. The project includes a shallow well, filtration, chlorination, and a backup generator. Sheep Creek Cove HOA score 6 points on the priority system.

Sheep Creek Cove HOA is classified as a transient, non-community system. They are a cabin-home subdivision, with no primary residents. Their current source of water, the cabin-home subdivision, with no primary non-community system. The current source of water, the Wilson (Gibbs) Spring does not provide adequate flow throughout the year as the water system has received an approval for a change of diversion on their water source. They plan to install a 20-foot deep well in a stream bed as the new diversion point. Since this will be classified as surface water, the project also includes filtration, disinfection and monitoring equipment. Additionally, the water system plans to install a backup generator.

Since this is a secondary home subdivision, the Sheep Creek Cove HOA does not qualify for additional subsidization. As in previous projects authorized by the Drinking Water Board, the interest/fee will be 90% of the market rate of 5.35%, resulting in a 4.82% interest or fee rate.

Dave Prevedel, Sheep Creek Cove HOA, addressed the Drinking Water Board.

Discussion followed.

Paul Hansen moved the Drinking Water Board authorize a \$90,000 construction loan to Sheep Creek Cove HOA annual interest or fee for 20 years. at 4.82%

Heather Jackson seconded.

CARRIED

(Unanimous)

b. Pleasant View City

Michael Grange reported Pleasant View City is planning to drill a new culinary well and construct a 500,000 gallon storage tank. The cost of the project is estimated to be \$2,327,000. The applicant is planning to contribute \$350,000 in order to bring down their interest rate.

The local MAGI for Pleasant View is \$65,452 (174% of the state MAGI). Their after project water bill is well under 1.75%. Pleasant View City does not qualify for a principal forgiveness. The city has opted for a 20 year loan. It changes their interest rate. It makes an adjustment from the 15 year loan. The City is requesting financial assistance in the amount of \$1,977,000.

Fred Hellstrom, Matt Hartvigsen, Valerie Clawson, Melinda Brimhall Greenwood, and Alan Westernskow, Pleasant View City representatives, were available to answer any questions from the Drinking Water Board.

Discussion followed.

Brett Chynoweth moved the Drinking Water Board authorize \$1,977,000 loan to Pleasant View City with an interest rate of 3.65% for 15 years. Conditions include that they resolve all issues on their compliance report.

David Stevens seconded.

CARRIED

(Unanimous)

4. OTHER

No other business.

ITEM NO. 6 – FINAL ADOPTION OF RULE REVISIONS

a. (R309-511) – Hydraulic Modeling Requirements:

Tammy North reported the Division staff initiated the rulemaking process to review the engineering rule in R309-511. These rule revisions make two major clarifications: 1) The full hydraulic modeling report is not required for the drinking water projects that meet the criteria in R309-511-4(1)(a)(i) through (iv), and 2) Professional Engineer's certification of hydraulic modeling results is required for any public drinking water project, except the projects listed in R309-511-4(1)(a)(i).

The rule revisions were substantive and were filed with the Division of Administrative Rules for publication in the October 1, 2013 Utah Bulletin. The 30-day formal comment period ended on October 31, 2013. One comment was received. But after review, the comment is not considered significant.

b. R309-515 – SOURCE DEVELOPMENT

Tammy North reported the Division staff initiated the rulemaking process to revise the engineering rules in R309-515. These rule amendments include the following clarifications and revisions:

- Clarify evidence of a legal right to divert water for drinking water sources.
- Clarify standby power requirements for community water systems' well sources.
- Add well seal depth requirement for drinking water wells equipped with pitless adapter.
- Modify well gravel pack requirement to account for what is currently commercially available.
- Require well capping and abandonment be done in accordance with the Division of Water Right's Rules.
- Define the safe yield of a well.
- Restrict the well pump size to the pumping rate used for the constant-rate aquifer drawdown test.
- Clarify the required order of well head discharge components.
- Specify design requirement for the well pump-to-waste line.
- Outline the procedure for determining the safe yield of a spring.
- Correct numerous outdated and incorrect references.

These rules were substantive and were filed with the Division of Administrative Rules for publication in the October 1, 2013 Utah Bulletin. The 30-day formal comment period ended on October 31, 2013. One comment was received. Clarification in the guidance paragraph was made to address the comment.

The staff recommends the Board adopt the rule revisions to R309-511 and R309-515, and authorize staff to make this rule change effective on January 21, 2014

Discussion on both rules.

Betty Naylor moved the Drinking Water Board adopt to the rule revisions to R309-511 and R309-515 and authorize staff to make this rule change effective on January 21, 2014.

Mark Stevens seconded.

CARRIED

(Unanimous)

ITEM NO. 7 - RURAL WATER ASSOCIATION'S UPDATE

Terry Smith, Rural Water Association of Utah representative, went over changes to RWAU's staff assignments, and invited Board member to Rural Water Association's Annual Conference in St. George, Utah the last week of February 2014.

ITEM NO. 8 – CHAIRMAN'S REPORT

Chairman Hansen mentioned this would be Mayor Heather Jackson and Mayor Natasha Madsen's last meeting on the Drinking Water Board. Chairman Hansen presented a clock plaque to Heather Jackson and Natasha Madsen for their contribution to the Drinking Water Board.

Chairman Hansen mentioned the Drinking Water Board will be holding elections at the February 27, 2014 Drinking Water Board meeting for the Chairman and Vice Chairman's positions on the Board.

Chairman Hansen mentioned that the Drinking Water Board will need to consider who should serve on the Financial Assistance Committee for the coming year.

ITEM NO. 9 – LINDA MATULICH’S RETIREMENT

Kate Johnson mentioned that Linda Matulich will be retiring on January 31, 2014. Kate Johnson highlighted some of the work that Linda has done over the last 27 years with the Division of Drinking Water.

Kate Johnson presented a clock plaque to Linda Matulich on her retirement.

The Drinking Water Board thanked Linda for her work.

ITEM NO. 10 – DIRECTOR’S REPORT

Ken Bousfield thanked Natasha Madsen and Heather Jackson for their service on the Board and thanked them for the service they provided to water systems in the State.

a. 2014 Legislative Session

Ken Bousfield mentioned that the Legislative Session begins on January 27, 2014. He commented that the fee proposal discussed during 2013 would not be presented to the legislature. In its place the Governor has proposed that the needed \$800,000 for the Division should come from the State funded SRF program.

b. Drinking Water Board’s 2014 Meeting Schedule - Final

Ken Bousfield reported that a copy of the 2014 Drinking Water Board schedule is listed in the packet. Ken mentioned that the locations for the summer meetings would likely change as staff looks at scheduling them in locations of interest to the Board and/or where the Board has funded projects.

c. Rural Water Association of Utah’s 2014 Annual Conference

Ken Bousfield reported that the Rural Water Conference program is in the packet. Ken mentioned that the Division would pay for registration and travel expenses for the Board to attend the entire conference where the Board meeting will be held. He asked that Board members work with Heather Bobb on their travel plans.

d. Energy Efficiency In-Depth Training

Ken Bousfield mentioned that on Tuesday February 25th an in-depth training session will be held at the RWAU Conference addressing energy efficiency. He explained that he had sent a letter to consulting engineers encouraging them to attend this session, as he explained that the Division would be developing guidelines addressing energy efficiency for State funded projects. Ken mentioned that he would present the guideline to the Board for their approval before implementing the guidelines as a condition for funding.

ITEM NO. 11 – NEXT BOARD MEETING

Chairman Hansen stated the next Drinking Water Board meeting will be held on February 27, 2014 at 2:00 p.m. in the Garden Room at the Dixie Convention Center, 1835 Convention Center Drive, St. George, Utah 84790, Phone: (435) 628-7003.

ITEM NO. 12 – OTHER

No other business.

ITEM NO. 13 – ADJOURN

Paul Hansen stated a motion was in order to adjourn the Drinking Water Board meeting.

Betty Naylor moved the Drinking Water Board authorize to adjourn the Drinking Water Board meeting.

Natasha Madsen seconded.

CARRIED

(Unanimous)

Linda Matulich

Recording Secretary

Agenda Item 5b



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Mark Stevens, M.D.
Kenneth H. Bousfield, P.E.
Executive Secretary

MINUTES OF THE DRINKING WATER BOARD MEETING HELD ON JANUARY 30, 2014
AT 11:00 A.M. IN SALT LAKE CITY, UTAH

BOARD MEMBERS PRESENT

Paul Hansen, Chair
Betty Naylor, Vice Chair
Tage Flint
Natasha Madsen
Brett Chynoweth

GUESTS

Scott Anderson, Woods Cross City
Gary Uresk, Woods Cross City
Greg Seegmiller, JUB Engineers

STAFF

Michael Grange
Jesse Johnson
Heather Bobb

ITEM NO. 1 – CALL TO ORDER

The Drinking Water Board convened at 11:00 a.m. in Salt Lake City, Utah with Chairman Paul Hansen presiding.

ITEM NO. 2 – ROLL CALL

Chairman Hansen asked Michael Grange to call roll of the Drinking Water Board members. The roll call showed that there were 5 members present.

ITEM NO. 3 – INTRODUCTIONS

Chairman Hansen asked the guests to introduce themselves.

ITEM NO. 4 - FINANCIAL ASSISTANCE COMMITTEE REPORT

1. Status Report

Michael Grange informed the Board that the Appropriation and Continuing Resolution was passed by Congress and signed by the President on January 17, 2014. It contains the re-instatement of the Buy American provisions which include iron and steel products. This will

impact many projects that have been authorized by the Board that have not closed their loans yet, including Woods Cross City that is set to close their loan next week.

The Board discussed the impacts this will have on the Woods Cross project and the very likely increase in project cost.

2. SRF Applications

a. Woods Cross City

Scott Anderson, Gary Uresk, and Greg Seegmiller, representing Woods Cross City, were available for any questions from the Drinking Water Board.

Jesse Johnson reported Woods Cross City project bids came in significantly higher than was expected. Therefore, they are requesting an increase in financial assistance of \$344,000. Jesse also explained that with the Buy American provision, this could also increase the cost of the project significantly and asked the Board to consider additional grant money to help offset this cost.

The Board discussed options the City may have to help with this new cost.

Betty Naylor called for the vote.

Paul Hansen moved the Drinking Water Board authorize an increase of \$344,000 for a total loan of \$4,500,000 at 0% for 20 years.

Tage Flint seconded.

**CARRIED
(Unanimous)**

ITEM NO. 5 – ADJOURN

Chairman Hansen stated a motion to adjourn the Drinking Water Board meeting was in order.

Tage Flint moved the Drinking Water Board adjourn their meeting at 11:30 a.m.

Paul Hansen stated no second needed as all members agreed.

Heather Bobb
Recording Secretary

Agenda Item 6-1

DIVISION OF DRINKING WATER

FEDERAL SRF

AS OF January 31, 2014

FIRST ROUND FUND		FEDERAL SECOND ROUND FUND		Hardship Fund
1997 thru 2013 SRF Grants		Principal Repayments	Earnings on Invested Cash Balance	
Net Federal SRF Grants:	\$137,816,121	Principal (P):	\$31,620,728	Total: \$2,747,665
Total State Matches:	\$29,694,500	Interest (I):	\$8,676,048	
Closed Loans:	-\$167,510,621	Total P & I:	\$40,296,776	
Total Grant Dollars:	\$0			

SUMMARY

Total Federal State Revolving Fund:	\$41,448,311
Total Federal Hardship Fund:	\$2,747,665
Subtotal:	<u>\$44,195,976</u>

LESS AUTHORIZED & PARTIALLY DISBURSED	Less:		(see Page 2 for details)
	Authorized & Partially Disbursed Closed Loans:	\$20,497,543	
	Authorized Federal Hardship:	\$640,003	
	Subtotal:	<u>\$21,137,546</u>	

PROPOSED	Proposed Federal Project(s):	\$1,418,000	(see Page 2 for details)
	Proposed Federal Hardship Project(s):	\$0	
	Subtotal:	<u>\$1,418,000</u>	

AS OF:	January 31, 2014	TOTAL REMAINING LOAN FUNDS:	\$19,532,768
		TOTAL REMAINING HARDSHIP FUNDS:	\$2,107,662

Total Balance of ALL Funds after deducting proposed actions: \$21,640,430

Projected Receipts thru February 1, 2015	
2014 Fed SRF Grant	\$6,750,000
2014 State Match	\$1,800,000
Interest on Investments	\$199,200
Principal Payments	\$5,664,226
Interest	\$1,366,426
Hardship & Technical Assistance fees	\$400,763
Total:	<u>\$16,180,615</u>

Receive 60% in January

Total Estimated Federal SRF Funds Available through: 2/1/2015 **\$37,821,045**

**DIVISION OF DRINKING WATER
FEDERAL STATE REVIVING FUND**

**PROJECTS AUTHORIZED BUT NOT YET CLOSED
AS OF January 31, 2014**

COMMUNITY	Project			Authorized Date	Closing Date Scheduled	Authorized From Loan Funds (1st or 2nd Round)			Hardship Fund
	Total Project	Terms	Loan #			Loan	Forgiveness	Total	
Duchesne County	22,000,000	0% int 30 yrs 700K pf	3F142	Mar-10	Mar-14	3,300,000	700,000	4,000,000	
Herriman	8,375,000	2.25% hgf, 20 yrs	3F194	Mar-12	Apr-14	4,682,000		4,682,000	
Wooden Shoe Water	201,000	1% , 30 yr	3F197	Jul-12		201,000		201,000	
Gunnison	2,350,000	0% int, 30 yr	3F208	Feb-13		2,250,000	100,000	2,350,000	
Bear River WCD-Collinston	3,700,000	.6% int, 30 yrs	3F214	Jul-13	Mar-14	2,865,000	735,000	3,600,000	
Woods Cross	4,500,000	0% int, 20 yrs	3F212	Jul-13	Feb-14	1,225,000		1,225,000	
Greendale Water Co	1,385,000	3.92 int/hgf, 20 yrs	3F213	Jul-13		1,145,000		1,145,000	
Sheep Creek Cove HOA	90,000	4.82% int, 20 yr	3F218	Jan-14		90,000		90,000	
Pleasant View City	2,327,000	3.75% int, 20 yrs	3F219	Jan-14		1,977,000		1,977,000	
TOTAL CONSTRUCTION AUTHORIZED:						\$ 17,735,000	\$ 1,535,000	\$ 19,270,000	\$ -

COMMITTED PLANNING ADVANCES / AGREEMENTS or PARTIALLY DISBURSED CLOSED 2ND ROUND AGREEMENTS:

					Date Closed					
									0	0
Kane Co-Zion View	1,400,000	4.71% int, 30 yrs	3F185	Mar-12	Jul-12	1,075,000		1,075,000		0
Bridge Hollow Water Association	75,000	100% pf (emergency repairs)	3F216	Oct-13	Nov-13		2,543	2,543		
Gunnison	150,000	PF advance for well drilling	3F208	Feb-13	Mar-14		150,000	150,000		
Rural Water Assn of Utah 2013	124,758	5 yr contract for Development Specialist	Ongoing	Nov-12	Jan-13				0	523,503
Woodland Mutual Wtr Co.	37,000	Planning Loan 0% 5 yrs	3F206P	Nov-12	May-13				0	37,000
Trenton Pl Grant	39,500	Planning Grant	3F211P	Apr-13	Jun-13				0	39,500
Boulder Farmstead	40,000	100% principal forgiveness	3F215P	Sep-13					0	40,000
TOTAL PLANNING AUTHORIZED:						\$1,075,000	\$152,543	\$1,227,543	\$640,003	

TOTAL CONSTRUCTION & PLANNING: \$20,497,543 \$640,003

AVAILABLE PROJECT FUNDS: \$20,950,768
AVAILABLE HARDSHIP FUNDS: \$2,107,662

PROPOSED PROJECTS FOR FEBRUARY 2014:

Forest Glen A	1,418,000	0% int, 30 yrs	3F222			986,000	432,000	1,418,000	
TOTAL PROPOSED PROJECTS FOR THIS MEETING:						\$986,000	\$432,000	\$1,418,000	\$0

*RWau hardship grant is being disbursed monthly

TOTAL FUNDS AFTER PROPOSED PROJECTS ARE FUNDED: \$19,532,768
TOTAL FUNDS AFTER PROPOSED HS PROJECTS ARE FUNDED: \$2,107,662

NOTES OF LOAN CLOSINGS SINCE LAST BOARD MEETING:

Woods Cross	4,500,000	0% int, 20 yrs	3F212	Jul-13	Feb-14	1,225,000		1,225,000	
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DIVISION OF DRINKING WATER
FEDERAL SRF LOAN FUNDS
AS OF January 31, 2014

	Loan Funds 1st Round	Loan Payments			TOTAL
		2nd Round		Hardship Fund	
		Principal	Interest		
Federal Capitalization Grants and State 20% match thru 2013	\$167,510,621				
Earnings on Invested 1st Round Funds			1,151,535		
Repayments (including interest earnings on 2nd round receipts)		31,620,728	8,676,048	2,747,665	211,706,597
Less:					
Closed loans and grants	-167,510,621				-167,510,621
SUBTOTAL of Funds Available	\$0	\$31,620,728	\$9,827,583	\$2,747,665	\$44,195,976
Loans & Grants authorized but not yet closed or fully disbursed	-16,490,000	-3,855,000	-152,543	-640,003	-21,137,546
SUBTOTAL of Funds Available less Authorized	-\$16,490,000	\$27,765,728	\$9,675,040	\$2,107,662	\$23,058,430
Future Estimates:					
Proposed Loans/Grants for current board package	-1,418,000			0	-1,418,000
SUBTOTAL of Funds Available less Proposed Loans & Grants	-\$17,908,000	\$27,765,728	\$9,675,040	\$2,107,662	\$21,640,430
PROJECTIONS THRU February-2015					
2015 Grant proceeds estimate (inc state match)	0				
2014 Grant \$9,000,000 less set-asides	6,750,000				
2014 State Match for Grant	1,800,000				
Projected repayments & revenue during the next twelve months		5,664,226	1,366,426	400,763	7,431,415
Projected annual investment earnings on invested cash balance		180,000	12,000	7,200	199,200
TOTAL	-\$9,358,000	\$33,609,954	\$11,053,466	\$2,515,625	\$37,821,045

DIVISION OF DRINKING WATER
STATE LOAN FUNDS
AS OF January 31, 2014

SUMMARY		
	Total State Fund:	\$6,766,745
	Total State Hardship Fund:	\$711,614
	Subtotal:	\$7,478,359
LESS AUTHORIZED	Less:	
	Authorized Loans & Closed loans in construction:	\$6,696,355
	Authorized Hardship:	\$64,225
	Subtotal:	\$6,760,580
	Total available after Authorized deducted	\$717,779
PROPOSED	Proposed Loan Project(s):	\$0
	Proposed Hardship Project(s):	\$0
	Subtotal:	\$0
AS OF:		
January 31, 2014	TOTAL REMAINING STATE LOAN FUNDS:	\$70,390
	TOTAL REMAINING STATE HARDSHIP FUNDS:	\$647,389

(see Page 2 for details)

(see Page 2 for details)

Total Balance of ALL Funds: **\$717,779**

Projected Receipts Next Twelve Months: and Sales Tax Revenue	
Annual Maximum Sales Tax Projection	\$3,587,500
Less State Match for 2013 Federal Grant	\$0
Less State Match for 2014 Federal Grant	(\$1,800,000)
Less Administration Fees	(\$140,200)
SUBTOTAL Sales Tax Revenue including adjustments:	\$1,647,300
Payment:	
Interest on Investments (Both Loan and Hardship Accounts)	\$21,600
Principal payments	\$3,363,122
Interest payments	\$981,405
Total Projections:	\$6,013,427

Receive 80% in January

Total Estimated State SRF Funds Available through 2-01-2015	\$6,731,205
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**DIVISION OF DRINKING WATER
STATE LOAN FUNDS
PROJECTS AUTHORIZED BUT NOT YET CLOSED
AS OF January 31, 2014**

Community	Loan #	Cost Estimate	Date Authorized	Date Closed/Anticipated	Authorized Funding		
					Loan	Grant	Total
							0
							0
Axtell Community SSD 2.71%, 20 yr	3S174	153,700	Sep-12		123,000	30,700	153,700
Snowville 0% int 30 yrs (payoff \$560K)	3S182	610,000	Feb-13		610,000		610,000
Price Rvr WCD-Spring Glen 2.42% int 20 y	3S188	800,000	Jul-13	Apr-14	700,000		700,000
Woodland Hills Water 2.92% 20 yrs	3S193	970,000	Nov-13		920,000		920,000
Woods Cross 0% int 20 yrs	3S195	4,500,000	Jul-13	Feb-13	3,275,000		3,275,000
							0
Subtotal Loans and Grants Authorized					5,628,000	30,700	5,658,700
PLANNING LOANS / GRANTS IN PROCESS							
Eureka PI Loan 0% 5 yrs	3S172P	40,000	Jul-12	Feb-13	15,355		15,355
Eureka PI Loan 0% 5 yrs (added)	3S172P	60,000	Feb-13	Apr-13	0		0
Henrieville Town	3S189P	36,000	Jun-13	Sep-13	36,000		36,000
Garden City grant	3S176P	40,000	Nov-12	Feb-13		33,525	33,525
Koosharem	3S191P	18,000	Oct-13	Oct-13	5,000		5,000
Tabiona	3S192P	32,000	Sep-13	??	32,000		32,000
Coalville pl loan	3S186P	32,000	Jul-13	Sep-13	32,000		32,000
Hildale pl loan		40,000	Jan-14		40,000		40,000
					160,355	33,525	193,880
CLOSED LOANS (partially disbursed)							
Payson, 3.46% int, 20 yrs	3S170	3,404,000	Nov-11	Apr-12	908,000		908,000
Woods Cross 0% int, 20 yrs	3S195	3,275,000					0
							0
Subtotal Planning Loans/Grants Auth					908,000	0	908,000
Total authorized or closed but not yet funded					\$6,696,355	\$64,225	\$6,760,580
PROPOSED PROJECTS for Feb 2014							
		0			0	0	0
		0			0	0	0
						0	0
							0
Total Proposed Projects					0	0	0

**DIVISION OF DRINKING WATER
STATE LOAN FUNDS
AS OF January 31, 2014**

	5235 Loan Funds	5240 Interest (use for Grants)	Total
Cash:	\$6,766,745	\$711,614	\$7,478,359
Less:			
Loans & Grants authorized but not yet closed (schedule attached)	(5,788,355)	(64,225)	(5,852,580)
Loans & Grants closed but not fully disbursed (schedule attached)	(908,000)	0	(908,000)
Proposed loans & grants	0	0	0
Administrative quarterly charge for entire year	(140,200)		(140,200)
FY 2013 Federal SRF 20% match of \$8,421,000	0		0
FY 2014 Federal SRF 20% match of \$9,000,000	(1,800,000)		(1,800,000)
	(1,869,810)	647,389	(1,222,421)
Projected repayments during the next twelve months			
Thru 02-01-2015			
Principal	3,363,122		3,363,122
Interest		981,405	981,405
Projected annual investment earnings on invested cash balance		21,600	21,600
Sales Tax allocation thru Feb-01-2015	3,587,500		3,587,500
Total	\$5,080,812	\$1,650,394	\$6,731,205

* All interest is added to the Hardship Fee account.

Agenda Item 6-2

Project Priority List
Presented to the Drinking Water Board
February 27, 2014

DRINKING WATER BOARD
PACKET FOR PROJECT PRIORITY LIST

There is one new project being added to the Project Priority List

Forest Glen A Homeowners Association is being added to the project priority list with 20.5 points. Their project consists of a spring redevelopment, a new tank, transmission line and waterline replacement.

FINANCIAL ASSISTANCE COMMITTEE RECOMMENDATION:

The Drinking Water Board approve the updated Project Priority List.

January 8, 2014

Utah Federal SRF Program

Project Priority List

Authorized

				Priority Points	Total Unmet Needs: \$258,278,091			Total Needs, incl. Recent funding \$276,835,126			\$202,444,590
	date	type	%Green		System Name	County	Pop.	ProjectTitle	Project Total	Request DWB	Funds Authorized
N				20.1	Green Hills	Weber	210	Connect to Eden Water and Booster Pump1	\$1,374,136	1,346,136	
N				20.5	Forest Glen A	Salt Lake	58	Spring redevelopment, tank, waterline replacement	\$1,458,780	1,417,280	
N				19.7	Enterprise City (on hold)	Washington	1,500	replace water lines, refurbish water tank	\$987,121	\$887,121	
N				15.1	Sunset City	Dvais	5,122	Waterline replacement	\$325,000	\$50,000	
N				10.5	North Ogden City (Hold until May)	Weber	17,357	Well Rehab	\$647,420	\$640,946	
N				6.0	Sheep Creek HOA	Cach	75	New source and treatment			
N				3.4	Pleasant View	Weber	6,500	New well and reservoir	\$2,326,263	\$2,126,263	
A				75.8	Wooden Shoe Water Co.	Summit	76	Well, well house, tank	\$202,424	\$202,424	\$201,000
A				47.4	Duchesne County	Duchesne	3,585	Supply line to 3 existing districts	\$22,000,000	\$4,000,000	\$4,000,000
				37.2	Gunnison	Sanpete	3,285	New well, Tank, Chlorination bldg, waterlines	\$6,575,000	2,500,000	
A				29.5	Elberta Water Co	Utah	141	Well equipping and transmission line	\$1,657,106	\$1,657,106	\$1,658,535
A				19.1	Goaslind Spring	Cache	50	Spring redevelopment, tank, waterline, chlorination	\$1,089,899	\$1,089,899	\$378,000
				18.8	Price River WID- Spring Glen	Carbon	750	Distribution system upgrades for absorption by PRWID	\$800,000	\$700,000	
A				14.9	Mendon City	Cache	1,400	New well, transmission linle, telemetry	\$1,240,227	\$1,071,595	\$1,072,000
				13.7	Greendale				\$1,384,444	\$1,144,444	
A				13.3	Eagle Mountain	Utah	23,000	Pump Station and Waterline	\$5,694,427	\$4,694,427	\$4,648,000
				13.2	Woods Cross				\$4,403,000	\$4,000,000	
				12.5	Bear River WCD- Collinston	Box Elder	50,104	1-MG tank, transmission line, pump station	\$3,400,000	\$3,300,000	
				12.1	Woodland Hills City				\$969,899	\$969,899	
A				11.1	Fremont Waterworks Co.	Wayne	600	spring redevelopment, pipeline, fir ehydrants	\$425,000	\$425,000	\$425,000
A				9.6	Rockland Ranch	San Jaun	110	New Well	\$106,050	\$106,050	\$214,500
A				8.9	Herriman	Salt Lake	24,000	New 3 MG tank and pump station	\$8,325,000	\$5,000,000	\$4,682,000

N = New Application
 A = Authorized
 P = Potential Project- no application

E= Energy Efficiency
 W= Water Efficiency
 G= Green Infrastructure
 I= Environmentally Innovative

GREEN PROJECTS

A	E/W	100%	NA	Mountain Regional SSD	Summit	6,400	SCADA, well improvements, chlorinator	\$1,277,778	\$1,277,778	\$1,278,000
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EMERGENCY FUNDING

January 8, 2014

Utah Federal SRF Program

Project Priority List

Authorized

				Priority Points	Total Unmet Needs: \$258,278,091			Total Needs, incl. Recent funding \$276,835,126			\$202,444,590
	date	type	%Green		System Name	County	Pop.	ProjectTitle	Project Total	Request DWB	Funds Authorized
N				100.0	Bridge Hollow Water Association	Summit	52	Replacement of 8 failed PRVs	\$75,000	\$75,000	

POTENTIAL PROJECTS

P				125.2	Soldier Summit SSD-2nd home sub	Utah	33	waterline upgrade	\$530,303	\$530,303	
P				36.4	Santa Clara (on hold)	Washington	8,000	Waterline upgrades	\$6,419,202	\$6,354,202	
P				35.0	CUWCD-Utah Valley	Utah		Treatment plant upgrades	\$39,369,500	\$36,950,000	
P				24.4	Jordan Valley WCD	Salt Lake	82,500	Treatment	\$3,200,000		
P				20.0	Pinon Forest	Duchesne	n/a	New system- residents haul water	\$21,247,000		
P				17.9	Wendover	Tooele	1,600	Waterline upgrades	\$833,000		
P				17.5	Draper City	Salt Lake	15,000	Storage and distribution upgrades	\$35,789,000		
P				17.1	East Zion SSD	Kane	49	waterline	\$128,876	\$128,876	
P				16.4	Eastland SSD	San Juan	60	New well for back up purposes	\$500,000		
P				16.4	Neola	Duchesne	840	Waterline upgrades, storage, source improvements	\$3,607,592	\$3,607,592	
P				15.3	Newton Town	Cache	799	Spring rehabilitation, waterline upgrades	\$1,581,500		
P				15.3	South Rim Water	Tooele	264	Well equipment and house, new tank	\$600,000		
P				15.2	Midvalley Estates Water Company	Iron	700	Source, storage, distribution	\$500,000		
N											
P				15.1	Syracuse	Davis	25,200	Waterline upgrades	\$1,589,756	\$1,589,756	
P				14.7	Central Waterworks Co.	Sevier	450	Storage and distribution upgrades	\$1,400,000		
P				14.0	Herriman	Salt Lake	18,431	Booster Pump, waterline	\$2,050,000		
P				13.7	Cornish Town	Cache	300	Connect to Lewiston, rehab well	\$1,226,263		
P				13.7	Morgan City	Morgan	3,250	Waterline upgrades	\$692,026		
P				13.5	Riverdale	Weber	8,200	New well and tank, waterline upgrades	\$2,050,000		
P				13.3	Richfield City	Sevier	7,111	System repairs	\$2,722,000		
P				13.0	Uintah City	Weber	1,300	Treatment	\$1,063,000		
P				12.8	Centerfield	Sanpete	1,200	New tank, upgrade waterlines	\$3,600,000		
P				12.6	Enterprise	Washington	1,500	New tank, upgrade waterlines	\$1,917,100		
P				12.6	Price River	Carbon	7,659	New tank, waterlines, treatment	\$2,750,000		
P				11.6	Manila Culinary Water Co.	Utah	2,450	Treatment and waterline upgrades	\$700,000		
P				11.6	Jordan Valley WCD	Salt Lake	82,500	Flouride facility, well equipping	\$3,694,000	\$2,000,000	
P				11.4	Pineview West Water Company	Weber	115	Telemetry system	\$25,000		
P				11.4	North Ogden City	Weber	15,000	Waterline upgrades	\$746,000	\$746,000	
P				11.3	Farmington	Davis	15,000	New well, new tank, waterline replacement	\$2,830,000		
P				10.7	Ogden City	Weber	77,000	Source rehabilitation, treatment plant upgrades	\$26,500,000		

January 8, 2014

Utah Federal SRF Program

Project Priority List

Authorized

Total Unmet Needs:

\$258,278,091

Total Needs, incl. Recent funding

\$276,835,126

\$202,444,590

	date	type	%Green	Priority Points	System Name	County	Pop.	ProjectTitle	Project Total	Request DWB	Funds Authorized
P				10.7	High Valley Water Company	Summit	850	Waterline upgrades	\$1,000,000		
P				10.3	City of Monticello	San Juan	2,000	Storage and distribution upgrades	\$1,200,000		
P				9.8	Gorgoza	Summit	4,200	Waterline upgrades	\$1,000,000		
P				9.7	Moutain Regional SSD	Summit	6,700	Transmission line	\$600,000		
P				9.7	Benson Culinary Water District	Cache	743	New tank, waterline replacement	\$500,000		
P				9.3	Mapleton City	Utah	7,300	Replace distribution lines	\$15,339,560		
P				9.2	Greendale Water Co.	Daggett	500	Treatment system	\$800,000		
P				9.1	Center Creek	Wasatch	200	Pump house and pump	\$80,000		
P				8.4	Nibley City	Cache	4,300	New tank	\$1,270,355		
P				8.3	Hurricane	Washington	8,000	Waterline replacement and new tank	\$5,047,899		
P				7.6	Harmony Farms Water User Assoc.	Washington	300	Waterline Replacement	\$3,000		
P				6.8	Hooper Water Improvement District	Weber	16,520	Storage, waterlines, treatment	\$2,887,000		
P				6.7	Centerville City	Davis	16,000	Replacement well, waterline upgrades	\$2,965,000		
P				6.1	Marble Hill Water Company	Box Elder	250	New storage tank	\$225,000		
P				4.5	Peterson Pipeline Association	Morgan	450	Source, storage, distribution	\$1,700,000		
P				4.5	Perry City	Box Elder	4,603	Source, storage, distribution	\$4,782,220		
P				3.9	Wolf Creek Country Club	Weber	2,000	Waterline	\$180,000		
P				3.4	Highland City	Utah	15,066	New well houses	\$650,000		

Agenda Item 6-3

DRINKING WATER BOARD
BOARD PACKET FOR CONSTRUCTION LOAN

APPLICANT'S REQUEST:

Forest Glen A Homeowners Association has a significant deficiency in their storage capacity. They are planning to construct a new larger water storage tank & chlorination system, redevelop their spring, and install 3,000 feet of transmission line as well as replace their distribution system waterlines. The cost of the project is estimated to be \$1,459,000. The applicant is planning to contribute \$41,000. Therefore they are requesting financial assistance in the amount of \$1,418,000. They have a high ranking on the Project Priority List of 20.5 points.

STAFF COMMENTS:

The local MAGI for Brighton is \$56,185 (143% of the state MAGI), however their after project water bill at 100% loan is well over 5% of the local MAGI. Therefore they qualify for subsidization, since they are over the 1.75% threshold. As such, they qualify for principal forgiveness, extended term financing, reduced interest rate, and there would be no Loan Origination Fee (LOF). The calculated interest rate is 4.11%. Regionalization was pursued however Salt Lake City water surplus agreements do not allow for regionalization.

This is a private system consisting of 37 connections. Therefore Federal SRF funds will be used and the highest Principle Forgiveness we can give at this time is 30%. At the calculated interest of 4.11%, the after project water bill would be 3.86% of local MAGI (or \$180.85 per month per connection). Their current water bill is \$33 per month.

The scenario recommended represents a \$110 per month water bill using an interest rate of 0%. This equates to a water bill of 2.36% of local MAGI or an increase of \$77.

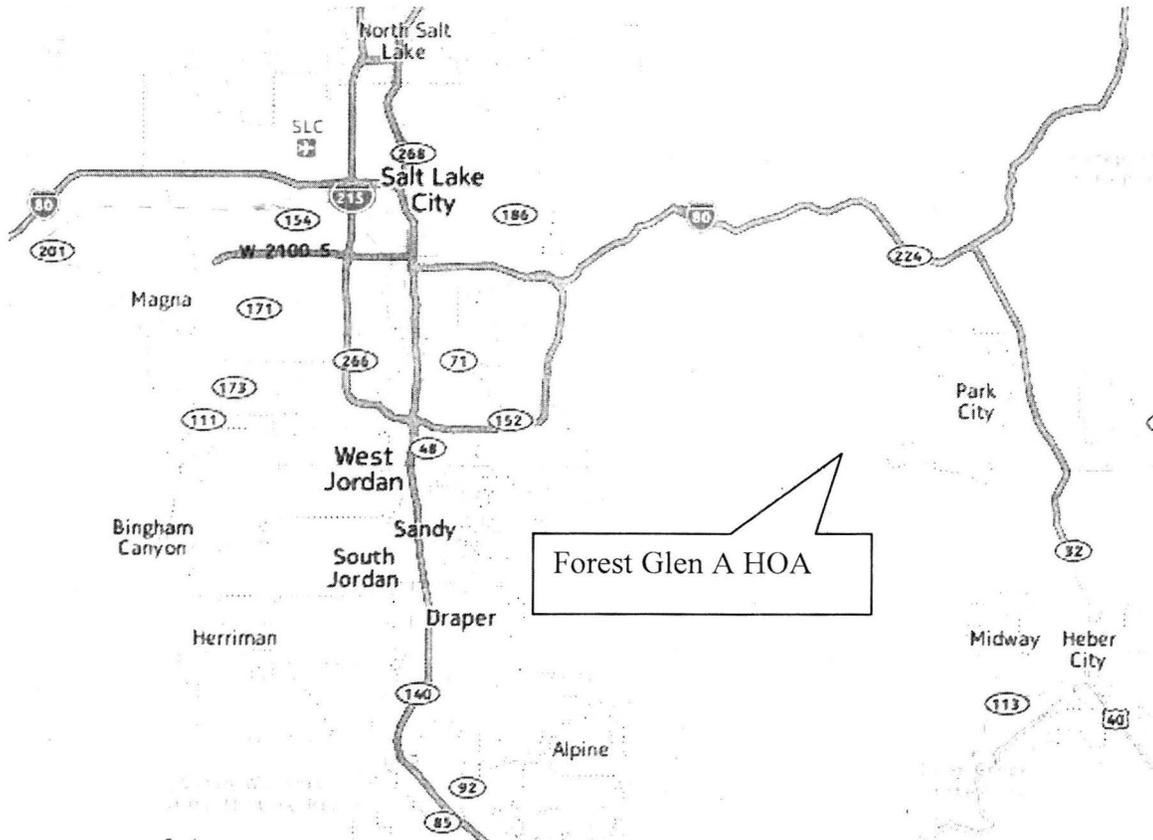
FINANCIAL ASSISTANCE COMMITTEE RECOMMENDATION:

The Drinking Water Board authorize a loan of \$1,418,000 with an interest rate of 0% for 30 years with \$432,000 in Principle Forgiveness. The repayable amount would be \$986,000. Conditions include that they resolve all issues on their compliance report and investigate fireflow requirements for the area.

APPLICANT'S LOCATION:

Forest Glen A Homeowners Association is located in Salt Lake County near Brighton Ski Resort

MAP OF APPLICANT'S LOCATION:



PROJECT DESCRIPTION:

A Complete rebuild of the water system consisting of redevelopment of the existing spring, installation of new finished water storage tank and approximately 3,000 feet of transmission line to the development. Also replace the existing 40 year old PVC pipe in the development which is subject to freezing. They also plan to install a small solar powered chlorination system using sodium hypochlorite (which has been used in a neighboring system).

POPULATION GROWTH:

The Association is expected to grow very little based on the current circumstances through 2040. Projected populations and number of connections are shown in the table below and taken from the application.

Year	Population	Connections
2013	58	37
2015	60	38
2020	60	38
2025	63	39
2030	63	39
2035	66	40

IMPLEMENTATION SCHEDULE:

FA Committee Conference Call:	Jan 2014
DWB Funding Authorization:	Feb 2014
Complete Design:	Apr 2014
Plan Approval:	May 2014
Advertise for Bids:	May 2014
Begin Construction:	Jun 2014
Complete Construction:	Sep 2015
Receive Operating Permit:	Jan 2016

COST ESTIMATE:

Legal – Bonding, Admin	\$20,000
Engineering- Plan, Design, CMS	\$215,340
Construction – Source	\$47,000
Construction – Storage	\$189,500
Construction – Distribution	\$660,950
Construction – Transmission	\$184,500
Contingency	\$141,490
DDW Admin Fee	\$0
Total Project Cost	\$1,458,780

COST ALLOCATION:

The cost allocation proposed for the project is shown below:

<u>Funding Source</u>	<u>Cost Sharing</u>	<u>Percent of Project</u>
DWB Loan (0%, 30-yr)	\$986,000	68%
DWB Grant	\$432,000	30%
Self-Contribution	\$41,000	3%

ESTIMATED ANNUAL COST OF WATER SERVICE:

Operation and Maintenance	\$8,068
Existing DW Debt Service	\$0
DDW Debt Service (0%, 30 yrs):	\$32,867
DDW Debt Reserve (10%):	\$3,287
DDW Coverage (15%):	\$4,930
Replacement Reserve Account (5%):	n/a
Annual Cost/ERC:	\$2,170
Monthly Cost/ERC:	\$110.70
Cost as % MAGI:	2.36%

CONTACT INFORMATION:

APPLICANT:	Forest Glen A Homeowners Association 12491 East Lupine Ridge Brighton, UT 84121 801-209-8333
PRESIDING OFFICIAL & CONTACT PERSON:	Bruce Warren President 12491 East Lupine Ridge Brighton, UT 84121 801-209-8333 forestglena@yahoo.com
CONSULTING ENGINEER:	Chet Hovey Advanced Environmental Engineering 1975 North Main Suite #3 Layton, UT 84041 (801) 733-3155 chovey@ae2eng.com
RECORDER:	AnnMarie Hannon (801) 205-7425 hannonsathome@msn.com
FINANCIAL CONSULTANT:	n/a
CITY ATTORNEY:	Jim Blakesley 2595 East 3300 South Salt Lake City, UT 84109 801.485.1555 jim@blakesleylaw.com
OTHER:	Steve McIntosh Watermaster Box 8124, Alta, UT 84092 (801) 330-3448 steve@canyonwater.com

DRINKING WATER BOARD FINANCIAL ASSISTANCE EVALUATION

SYSTEM NAME: Forest Glen A Homeowners Association FUNDING SOURCE: Federal SRF
 COUNTY: Salt Lake
 PROJECT DESCRIPTION: Spring Redevelopment, new tank & transmission line, replace distribution lines

70 % Loan & 30 % P.F.

ESTIMATED POPULATION:	58	NO. OF CONNECTIONS:	37 *	SYSTEM RATING:	APPROVED
CURRENT AVG WATER BILL:	\$33.33 *			PROJECT TOTAL:	\$1,459,000
CURRENT % OF AGI:	0.71%	FINANCIAL PTS:	33	LOAN AMOUNT:	\$986,000
ESTIMATED MEDIAN AGI:	\$56,185			PRINC. FORGIVENESS:	\$432,000
STATE AGI:	\$39,325			TOTAL REQUEST:	\$1,418,000
SYSTEM % OF STATE AGI:	143%				

	@ ZERO % RATE	@ RBBI MKT RATE	AFTER REPAYMENT PENALTY & POINTS
SYSTEM			
ASSUMED LENGTH OF DEBT, YRS:	30	30	30
ASSUMED NET EFFECTIVE INT. RATE:	0.00%	5.39%	4.11%
REQUIRED DEBT SERVICE:	\$32,866.67	\$67,020.07	\$57,784.48
*PARTIAL COVERAGE (15%):	\$4,930.00	\$10,053.01	\$8,667.67
*ADD. COVERAGE AND RESERVE (10%):	\$3,286.67	\$6,702.01	\$5,778.45
ANNUAL NEW DEBT PER CONNECTION:	\$1,110.36	\$2,264.19	\$1,952.18
O & M + FUNDED DEPRECIATION:	\$8,068.00	\$8,068.00	\$8,068.00
OTHER DEBT + COVERAGE:	\$0.00	\$0.00	\$0.00
REPLACEMENT RESERVE ACCOUNT:	\$0.00	\$0.00	\$0.00
ANNUAL EXPENSES PER CONNECTION:	\$218.05	\$218.05	\$218.05
TOTAL SYSTEM EXPENSES	\$49,151.33	\$91,843.09	\$80,298.60
TAX REVENUE:	\$0.00	\$0.00	\$0.00
RESIDENCE			
MONTHLY NEEDED WATER BILL:	\$110.70	\$206.85	\$180.85
% OF ADJUSTED GROSS INCOME:	2.36%	4.42%	3.86%

* Equivalent Residential Connections

R309-700-5

Forest Glen A Homeowners Association
Salt Lake
January 8, 2014

TABLE 2 FINANCIAL CONSIDERATIONS

	POINTS	
1. COST EFFECTIVENESS RATIO (SELECT ONE)		
A. Project cost \$0 to \$500 per benefitting connection	16	
B. \$501 to \$1,500	14	
C. \$1,501 to \$2,000	11	
D. \$2,001 to \$3,000	8	
E. \$3,001 to \$5,000	4	
F. \$5,001 to \$10,000	1	
G. Over \$10,000	0	X
	\$39,432	
2. CURRENT LOCAL MEDIAN ADJUSTED GROSS INCOME (AGI) (SELECT ONE)		
A. Less than 70% of State Median AGI	19	
B. 71 to 80% of State Median AGI	16	
C. 81 to 95% of State Median AGI	13	
D. 96 to 110% of State Median AGI	9	
E. 111 to 130% of State Median AGI	6	
E. 131 to 150% of State Median AGI	3	X
F. Greater than 150% of State Median AGI	0	
	143%	
3. PROJECT FUNDING CONTRIBUTED BY APPLICANT (SELECT ONE)		
a. Greater than 25% of project funds	17	
b. 15 to 25% of project funds	14	
c. 10 to 15% of project funds	11	
c. 5 to 10% of project funds	8	
d. 2 to 5% of project funds	4	X
e. Less than 2% of project funds	0	
	2.8%	
4. ABILITY TO REPAY LOAN		
4. WATER BILL (INCLUDING TAXES) AFTER PROJECT IS BUILT RELATIVE TO LOCAL MEDIAN ADJUSTED GROSS INCOME (SELECT ONE)		
a. Greater than 2.50% of local median AGI	16	X
b. 2.01 to 2.50% of local median AGI	12	
c. 1.51 to 2.00% of local median AGI	8	
d. 1.01 to 1.50% of local median AGI	3	
e. 0 to 1.00% of local median AGI	0	
	3.86%	
5. SPECIAL INCENTIVE POINTS Applicant: (Mark all that apply)		
A. has a replacement fund receiving annual deposits of 5% of the system's drinking water budget been established, and has already accumulated a minimum of 10% of said annual DW budget in this reserve fund.	5	X
B. Has a replacement fund equal to at least 15% or 20% of annual DW budget.	5	X
C. Is creating or enhancing a regionalization plan	16	
D. Has a rate structure encouraging conservation	6	
TOTAL POINTS FOR FINANCIAL NEED	33	
TOTAL POSSIBLE POINTS FOR FINANCIAL NEED	100	

Forest Glen A Homeowners Association

PROPOSED BOND REPAYMENT SCHEDULE

70 % Loan & 30 % P.F.

PRINCIPAL	\$986,000.00	ANTICIPATED CLOSING DATE	15-May-14
INTEREST	0.00%	P&I PAYMT DUE	01-Jan-16
TERM	30	REVENUE BOND	
NOMIN. PAYMENT	\$32,866.67	PRINC PREPAID:	\$0.00

YEAR	BEGINNING BALANCE	DATE OF PAYMENT	PAYMENT	PRINCIPAL	INTEREST	ENDING BALANCE	PAYM NO.
2015	\$986,000.00		\$0.00	\$0.00	\$0.00	\$986,000.00	0
2016	\$986,000.00		\$32,000.00	\$32,000.00	\$0.00	\$954,000.00	1
2017	\$954,000.00		\$32,000.00	\$32,000.00	\$0.00	\$922,000.00	2
2018	\$922,000.00		\$32,000.00	\$32,000.00	\$0.00	\$890,000.00	3
2019	\$890,000.00		\$32,000.00	\$32,000.00	\$0.00	\$858,000.00	4
2020	\$858,000.00		\$33,000.00	\$33,000.00	\$0.00	\$825,000.00	5
2021	\$825,000.00		\$33,000.00	\$33,000.00	\$0.00	\$792,000.00	6
2022	\$792,000.00		\$33,000.00	\$33,000.00	\$0.00	\$759,000.00	7
2023	\$759,000.00		\$33,000.00	\$33,000.00	\$0.00	\$726,000.00	8
2024	\$726,000.00		\$33,000.00	\$33,000.00	\$0.00	\$693,000.00	9
2025	\$693,000.00		\$33,000.00	\$33,000.00	\$0.00	\$660,000.00	10
2026	\$660,000.00		\$33,000.00	\$33,000.00	\$0.00	\$627,000.00	11
2027	\$627,000.00		\$33,000.00	\$33,000.00	\$0.00	\$594,000.00	12
2028	\$594,000.00		\$33,000.00	\$33,000.00	\$0.00	\$561,000.00	13
2029	\$561,000.00		\$33,000.00	\$33,000.00	\$0.00	\$528,000.00	14
2030	\$528,000.00		\$33,000.00	\$33,000.00	\$0.00	\$495,000.00	15
2031	\$495,000.00		\$33,000.00	\$33,000.00	\$0.00	\$462,000.00	16
2032	\$462,000.00		\$33,000.00	\$33,000.00	\$0.00	\$429,000.00	17
2033	\$429,000.00		\$33,000.00	\$33,000.00	\$0.00	\$396,000.00	18
2034	\$396,000.00		\$33,000.00	\$33,000.00	\$0.00	\$363,000.00	19
2035	\$363,000.00		\$33,000.00	\$33,000.00	\$0.00	\$330,000.00	20
2036	\$330,000.00		\$33,000.00	\$33,000.00	\$0.00	\$297,000.00	21
2037	\$297,000.00		\$33,000.00	\$33,000.00	\$0.00	\$264,000.00	22
2038	\$264,000.00		\$33,000.00	\$33,000.00	\$0.00	\$231,000.00	23
2039	\$231,000.00		\$33,000.00	\$33,000.00	\$0.00	\$198,000.00	24
2040	\$198,000.00		\$33,000.00	\$33,000.00	\$0.00	\$165,000.00	25
2041	\$165,000.00		\$33,000.00	\$33,000.00	\$0.00	\$132,000.00	26
2042	\$132,000.00		\$33,000.00	\$33,000.00	\$0.00	\$99,000.00	27
2043	\$99,000.00		\$33,000.00	\$33,000.00	\$0.00	\$66,000.00	28
2044	\$66,000.00		\$33,000.00	\$33,000.00	\$0.00	\$33,000.00	29
2045	\$33,000.00		\$33,000.00	\$33,000.00	\$0.00	\$0.00	30
			\$986,000.00	\$986,000.00	\$0.00		

*Interest Only Payment

Forest Glen A Homeowners Association

DWB Loan Terms

Local Share (total):	\$	41,000
Other Agency Funding:	\$	-
DWB Grant Amount:	\$	432,000
DWB Loan Amount:	\$	986,000
DWB Loan Term:		30
DWB Loan Interest:		4.11%
DWB Loan Payment:	\$	57,784

DW Expenses (Estimated)

Proposed Facility Capital Cost:	\$	1,473,590
Existing Facility O&M Expense:	\$	8,068
Proposed Facility O&M Expense:	\$	8,068
O&M Inflation Factor:		1.0%
Existing Debt Service:	\$	-

DW Revenue Sources (Projected)

Beginning Cash:	\$	-
Existing Customers (ERC):		37
Projected Growth Rate:		1.0%
Impact Fee/Connection Fee:	\$	-
Current Monthly User Charge:	\$	33.33
Needed Average Monthly User Charge:	\$	110.70

DW Revenue Projections

Yr	Growth Rate (%)	Annual Growth (ERC)	Total Users (ERC)	User Charge Revenue	Impact Fee Revenue	Property Tax Revenue	Total Revenue	DWB Loan Repayment	DWB Loan Reserves	Remaining Principal	Principal Payment	Interest Payment	Existing DW Debt Service	O&M Expenses	Total Expenses	Debt Service Ratio
0	1.0%	0	37	14,800	-	-	14,800	-	-	986,000	-	-	-	8,068	8,068	-
2015	1.0%	1	38	50,480	-	-	50,480	32,000	3,287	954,000	32,000	-	-	8,068	43,355	1.33
2016	1.0%	0	38	50,480	-	-	50,480	32,000	3,287	922,000	32,000	-	-	8,149	43,435	1.32
2017	1.0%	0	38	50,480	-	-	50,480	32,000	3,287	890,000	32,000	-	-	8,230	43,517	1.32
2018	1.0%	0	38	50,480	-	-	50,480	32,000	3,287	858,000	32,000	-	-	8,312	43,599	1.32
2019	1.0%	0	38	50,480	-	-	50,480	33,000	3,287	825,000	33,000	-	-	8,396	44,682	1.28
2020	1.0%	0	38	50,480	-	-	50,480	33,000	3,287	792,000	33,000	-	-	8,480	44,766	1.27
2021	1.0%	0	38	50,480	-	-	50,480	33,000	3,287	759,000	33,000	-	-	8,564	44,851	1.27
2022	1.0%	0	38	50,480	-	-	50,480	33,000	3,287	726,000	33,000	-	-	8,650	44,937	1.27
2023	1.0%	0	38	50,480	-	-	50,480	33,000	3,287	693,000	33,000	-	-	8,736	45,023	1.26
2024	1.0%	0	38	50,480	-	-	50,480	33,000	3,287	660,000	33,000	-	-	8,824	45,111	1.26
2025	1.0%	1	39	51,808	-	-	51,808	33,000	3,287	627,000	33,000	-	-	8,912	41,912	1.30
2026	1.0%	0	39	51,808	-	-	51,808	33,000	3,287	594,000	33,000	-	-	9,001	42,001	1.30
2027	1.0%	0	39	51,808	-	-	51,808	33,000	3,287	561,000	33,000	-	-	9,091	42,091	1.29
2028	1.0%	0	39	51,808	-	-	51,808	33,000	3,287	528,000	33,000	-	-	9,182	42,182	1.29
2029	1.0%	0	39	51,808	-	-	51,808	33,000	3,287	495,000	33,000	-	-	9,274	42,274	1.29
2030	1.0%	0	39	51,808	-	-	51,808	33,000	3,287	462,000	33,000	-	-	9,367	42,367	1.29
2031	1.0%	0	39	51,808	-	-	51,808	33,000	3,287	429,000	33,000	-	-	9,460	42,460	1.28
2032	1.0%	0	39	51,808	-	-	51,808	33,000	3,287	396,000	33,000	-	-	9,555	42,555	1.28
2033	1.0%	0	39	51,808	-	-	51,808	33,000	3,287	363,000	33,000	-	-	9,651	42,651	1.28
2034	1.0%	1	40	53,137	-	-	53,137	33,000	3,287	330,000	33,000	-	-	9,747	42,747	1.31
2035	1.0%	0	40	53,137	-	-	53,137	33,000	3,287	297,000	33,000	-	-	9,844	42,844	1.31
2036	1.0%	0	40	53,137	-	-	53,137	33,000	3,287	264,000	33,000	-	-	9,943	42,943	1.31
2037	1.0%	0	40	53,137	-	-	53,137	33,000	3,287	231,000	33,000	-	-	10,042	43,042	1.31
2038	1.0%	0	40	53,137	-	-	53,137	33,000	3,287	198,000	33,000	-	-	10,143	43,143	1.30
2039	1.0%	0	40	53,137	-	-	53,137	33,000	3,287	165,000	33,000	-	-	10,244	43,244	1.30
2040	1.0%	0	40	53,137	-	-	53,137	33,000	3,287	132,000	33,000	-	-	10,347	43,347	1.30
2041	1.0%	0	40	53,137	-	-	53,137	33,000	3,287	99,000	33,000	-	-	10,450	43,450	1.29
2042	1.0%	0	40	53,137	-	-	53,137	33,000	3,287	66,000	33,000	-	-	10,555	43,555	1.29
2043	1.0%	0	40	53,137	-	-	53,137	33,000	3,287	33,000	33,000	-	-	10,660	43,660	1.29
2044	1.0%	0	40	53,137	-	-	53,137	33,000	3,287	-	33,000	-	-	10,767	43,767	1.28

Total Paid in Debt Service = 986,000

**18044 Forest Glen A Home Owners Association
Compliance Report
January 13, 2014**

Administration:

See Attached IPS Report

Operator Certification:

See Attached IPS Report

Bacteriological Information:

See Attached IPS Report

Chemical Monitoring:

See Attached IPS Report

Lead/Copper:

See Attached IPS Report

Consumer Confidence Report

See Attached IPS Report

Physical Facilities:

See Attached IPS Report

Drinking Water Source Protection:

No issues

Plan Review:

No issues

Utah Department of Environmental Quality

Division of Drinking Water

Public Water System IPS Report

UTAH18044 FOREST GLEN A

Run Date:
01/12/2014 10:47 pm

PWS ID: UTAH18044 **Name:** FOREST GLEN A

Legal Contact: FOREST GLEN A
JOHN MARINUCCI

Address: 7375 S GUARDMANS PASS RD 9038
BRIGHTON, UT 84121

Phone Number: 801-232-1259

City Served (Area):
County: SALT LAKE COUNTY

System Type: Non-community

Population: 58

Rating: Approved
Rating Date: 09/02/2008
Activity Status: A

Last Inv Update: 08/08/2011
Last Snty Srv Dt: 06/29/2010
Surveyor: SHAWN GONZALES
Oper Period: 1/1 to 12/31

Consumptive Use Zone

Irrigation Zone Number: 2 02/15/2013

Improvement Priority System

Total IPS Points: **40** **Rating Date:** 09/02/2008 **Rating:** **Approved**

Admin & Physical Facilities: 60

*** Quality & Monitoring Violations:** 0

Operator Certification: -20

* Total Admin & Physical Facilities demerit points may not agree with the detail section. The detail section shows all 'open' physical deficiencies; the Total Admin & Physical Facilities value adjusts for duplicate deficiencies

Physical Facility, Administrative, & Source Protection Deficiencies from Site Visits

Facility	Code	Description	Activity Status	Severity	Date Determined	Point Not Effective	Point Effective
	D018	IMPROPER BATCH DISINFECTION PRACTICES					
	DS001	UTAH18044 DISTRIBUTION SYSTEM	A	MIN	6/29/2010		10
	V019	STORAGE FACILITY INTERIOR PEELING OR CRACKED					
	ST001	STORAGE FACILITY ST001	A	REC	6/29/2010		0
	V034	SYSTEM LACKS > 40% OF REQUIRED STORAGE CAPACITY					
				SIG	9/12/2007		50
Total Admin & Physical Facility Deficiency							60

Operator Certification Points

	Distribution	Treatment	
Level Required			
Highest Certificate on Record	D4	T4	
Points	-20	-20	Total Points -20

Utah Department of Environmental Quality
Division of Drinking Water
Public Water System IPS Report

UTAH18044 FOREST GLEN A

Run Date:
01/12/2014 10:47 pm

Compliance Schedules

Type	Required Activities	Severity	Date Created	Due Date	Achieved Date
Fix Physical Deficiency	SYSTEM LACKS > 40% OF REQUIRED STORAGE CAPACITY	SIG	09/18/2007	12/01/2009	

DRINKING WATER BOARD
BOARD PACKET FOR CONSTRUCTION LOAN

UPDATE:

An updated cost estimate has been received which includes the Buy-American cost increases and corrections from the original engineer's estimate.

Additional investigation has been conducted regarding the fire flow requirements for the Forest Glen A HOA area resulting in an exception to their storage requirement.

Therefore their tank size can be reduced to 40,000 gallons. The cost would be \$1,291,280. The self-contribution would be \$41,280. The loan portion would be \$881,000 and the grant portion would be \$369,000.

This scenario keeps the loan to grant ratio consistent at 30% Principle Forgiveness.

NEW STAFF RECOMMENDATION:

The Drinking Water Board authorize a loan of \$1,250,000 with an interest rate of 0% for 30 years with \$369,000 in Principle Forgiveness. The repayable amount would be \$881,000. Conditions include that they resolve all issues on their compliance report.

Agenda Item

6-4a

DRINKING WATER BOARD
BOARD PACKET FOR AUTHORIZATION OF CHANGE OF SCOPE

APPLICANT'S REQUEST

Hanna Water is requesting the Drinking Water Board approve a change in the scope of work to the May 2010 authorization and allow the system to use the remaining \$180,000 to help fund construction of a new 750,000 gallon drinking water storage tank.

STAFF COMMENTS

In May 2010 the Drinking Water Board authorized \$2,200,000 in financial assistance to the Hanna Water & Sewer Special Improvement District to develop the Annie Mae spring and install the transmission line to connect the spring to the existing water system infrastructure. The authorized project is now complete. Due to the favorable bidding environment and careful project management, approximately \$180,000 of authorized funds remains in the construction account. Hanna Water would like to use these funds to construct a new storage tank. A new tank was included in the original SRF application submitted in April 2010 but due to potential affordability issues the tank was removed from the authorized project.

Total project cost to build the tank is estimated to be \$810,000. Hanna Water is requesting the remaining \$630,000 in financial assistance from the Community Impact Board to build the new storage tank. The new tank will resolve storage and pressure issues in the System's upper pressure zones.

STAFF RECOMMENDATION

The Drinking Water Board approve a change to the scope of work authorized in May 2010 to allow Hanna Water & Sewer SID to use \$180,000 in remaining SRF funds to build a new 750,000 gallon storage tank.

HANNA WATER & SEWER SPECIAL IMPROVEMENT DISTRICT

P.O. Box 465 • Tabiona, Utah 84072 • Telephone: (435) 848-5647

January 31, 2014

Mr. Michael Grange
Section Manager – Construction
DEQ, Division of Drinking Water
195 North 1950 West
PO Box 144830
Salt Lake City, UT 84114-4830

RECEIVED

FEB 04 2014

Drinking Water

**Subject: Hanna Water & Sewer District – Annie Mae Spring Project
(WS003, TP003)
Project No. 3F119, System #07062
File No. 08863 & 08864
Request for Utilization of Funds**

RECEIVED

FEB 05 2014

Drinking Water

Dear Mr. Grange:

The Hanna W&SD Annie Mae Spring Water Supply Project is now complete as approved by the Drinking Water Board. An Operating Permit was issued by Executive Secretary of the Drinking Water Board to allow utilization of the Annie Mae Spring and supply pipeline. The project has been carefully managed and there are remaining funds that our Board would like to use towards our water system improvements.

During the original scoping of our subject project we had planned for a water storage tank as part of the project. Based on discussion with your staff it was eliminated to reduce the project cost. The tank would provide storage capacity for peak day and fire protection in our upper pressure zones that have no storage.

The Hanna Water & Sewer District Board is requesting approval of approximately \$180,000 of remaining authorized funds towards the design and construction of a 0.75 MG concrete water storage tank. Our intent is to ask the Community Impact Board for matching funds to complete the storage tank as shown on the attached cost estimate.

If there are any questions please contact me directly at phone number (435) 848-5610, or our Engineer, Rex Harrison at 801-763-5113 Email at rex@horrocks.com.

Sincerely,
Hanna Water and Sewer District Board



Mac Reber, Chairman

Agenda Item

6-4b

Drinking Water Board

February 27, 2014

Information Requested by the Financial Assistance Committee with respect to the historical use of Grant/Principal Forgiveness in the SRF Programs.

Data is taken from projects authorized from January 2005 to January 2014, for construction projects only

Data does not include projects for Water Conservancy Districts unless the number of service connections is reported.

The data for the Wasatch Mtn Club Foundation was also removed from consideration due to the single connection and the \$31,600 PF authorized by the Board (it skewed the data considerably).

All Projects – Grant/PF Only

	Fed Program	Fed Program (no ARRA)	State Program
# of Projects	40	27	29
Total PF Authorized	\$20,192,669	\$11,926,099	\$6,529,950
Total Connections	49,885	44,241	7,037
\$PF per Connection			
Maximum	\$18,541.67	\$18,541.67	\$9,869.57
Minimum	\$6.91	\$6.91	\$46.67
Average	\$4,206.19	\$4,717.86	\$1,833.04
Median	\$2,777.78	\$3,093.46	\$934.52
Range (\$PF per Connection)	# of Projects	# of Projects	# of Projects
< \$1,000	11	7	15
\$1,001 - \$3,000	10	6	10
\$3,001 - \$5,000	6	5	2
\$5,001 - \$10,000	8	5	2
> \$10,000	4	4	0

All Projects – Total Funding

	Federal Program	State Program
# of Projects	94	49
Total \$ Authorized	\$145,662,820	\$37,284,950
Total Connections	189,416	34,526
SRF \$ per Connection		
Maximum	\$42,066.67	\$19,739.13
Minimum	\$8.40	\$88.34
Average	\$7,113.50	\$2,996.80
Median	\$3,242.84	\$1,368.68
Range (SRF \$ per Connection)	# of Projects	# of Projects
< \$1,000	29	21
\$1,001 - \$3,000	17	13
\$3,001 - \$5,000	6	6
\$5,001 - \$10,000	20	6
> \$10,000	22	3

Agenda Item 7

R309-545. Facility Design and Operation: Drinking Water Storage Tanks.

R309-545-1. Purpose.

The purpose of this rule is to provide specific requirements for public drinking water storage tanks. It is intended to be applied in conjunction with other rules, specifically R309-500 through R309-550. Collectively, these rules govern the design, construction, operation and maintenance of public drinking water system facilities. These rules are intended to assure that such facilities are reliably capable of supplying adequate quantities of water which consistently meet applicable drinking water quality requirements and do not pose a threat to general public health.

R309-545-2. Authority.

This rule is promulgated by the Drinking Water Board as authorized by Title 19, Environmental Quality Code, Chapter 4, Safe Drinking Water Act, Subsection 104(1)(a)(ii) of the Utah Code and in accordance with Title 63G, Chapter 3 of the same, known as the Administrative Rulemaking Act.

R309-545-3. Definitions.

Definitions for certain terms used in this rule are given in R309-110 but may be further clarified herein.

R309-545-4. General.

Storage for drinking water shall be provided as an integral part of each public drinking water system unless an exception to the rule is approved by the Director. Pipeline volume in transmission or distribution lines shall not be considered part of any storage volumes.

R309-545-5. Size of Tank(s).

~~Required Storage Capacity: In the absence of firm water use data, at or above the 90% confidence level, s~~Storage tanks shall be sized in accordance with the required minimums of R309-510.

~~Guidance: The storage requirements in R309-510 may be reduced or eliminated when the source and any treatment facility have sufficient capacity and reliability (e.g. dual pumps, standby power, etc.) to serve the peak hourly demands of the system plus fire flows. A request for an exception from rule, as described in R309-105-6(2)(b), shall be submitted along with records supporting the request and the exception approved, in writing, by the Director before storage can be reduced or eliminated.~~

R309-545-6. Tank Material and Structural Adequacy.

(1) Materials.

The materials used in drinking water storage structures shall provide stability and durability as well as protect the quality of the stored water. Steel tanks shall be constructed from new, previously unused, plates and designed in accordance with AWWA Standard D-100-11.

(2) Structural Design.

The structural design of drinking water storage structures shall be sufficient for the environment in which they are located. The design shall incorporate an careful analysis of potential seismic risks by a Professional Engineer or Geologist.

Guidance: Division review of plans and specifications for storage tanks does not include an evaluation of structural suitability. Certificate of structural adequacy may be requested from the design engineer before approval is granted.

R309-545-7. Location of Tanks.

(1) Pressure Considerations.

The location of the reservoir tank and the design of the water system shall be such that the minimum working pressure in the distribution system shall meet the minimum pressures as required in R309-105-9.

Guidance: ~~The normal working pressure shall be between 40 and 60 psi. When static pressures exceed 80 psi, pressure reducing devices shall be provided on mains in the distribution system, or individual home pressure reducing valves shall be installed per the Utah Plumbing Code. The expected water level variation in the tank shall be taken into account when considering minimum and maximum distribution system pressures. The maximum variation between high and low water levels in storage structures that provide pressure to a distribution system should not exceed 30 feet.~~

(2) Connections.

Tanks shall be located at an elevation where present and anticipated connections can be adequately served. System connections shall not be placed at elevations such that minimum pressures, as required in R309-105-9, cannot be continuously maintained.

(3) Sewer Proximity.

Sewers, drains, standing water, and similar sources of possible contamination shall be kept at least 50 horizontal feet from the reservoir tank.

(4) Standing Surface Water.

The area surrounding a ground-level drinking water storage structure shall be graded in a manner that will prevent surface water from standing within 50 horizontal feet of the structure.

(5) Ability to Isolate.

Drinking water storage structures shall be designed and located so that they can be isolated from the distribution system. Storage structures shall be capable of being drained for cleaning or maintenance. Where possible, tanks should be designed with the ability to be isolated without necessitating loss of pressure or service in the distribution system.

~~Guidance: It is recommended that any discharge lines from tank overflow or drains be sloped for complete drainage so as to prevent any standing water in these lines. It is also recommended that these lines be separate from each other as well as separate from other discharge lines, such as from perimeter french drain system, and each be easily visible as required for the overflow line.~~

(6) Earthquake and Landslide Risks.

Potential geologic hazards shall be taken into account in selecting a tank location. Earthquake and landslide risks shall be evaluated.

Guidance: The design may include special shut-off or isolation valves designed to react in the event of an earthquake.

(7) Security.

The site location and design of a drinking water storage ~~reservoir~~tank shall take into consideration security issues and potential for vandalism.

Guidance: Fencing is advisable where the reservoir is highly accessible to the public or livestock. Where electricity or telemetry is available, consideration should be given to the installation of electronic security equipment.

R309-545-8. Tank Burial.

(1) Flood Elevation.

The bottom of drinking water storage ~~reservoirs~~tanks shall be located at least three feet above the 100-year flood level or the highest known maximum flood elevation, whichever is higher.

~~Guidance: The bottom shall be placed at the normal ground surface when ever possible.~~

(2) Ground Water.

When the bottom of a drinking water storage ~~reservoir tank is to be~~ will be placed below normal ground surface, it shall be placed above the local ground water table elevation.

Guidance: It is recommended that a french drain system be considered around any buried storage tank, but especially if the ground water table elevation is unknown or may exhibit seasonal variations.

(3) Covered Roof.

When the roof of a drinking water storage ~~reservoir tank is to~~ will be covered by earth, the roof shall be sloped to drain toward the outside edge of the tank.

R309-545-9. Tank Roof and Sidewalls.

(1) Protection From Contamination.

All drinking water storage structures shall have suitable watertight roofs and sidewalls ~~which that~~ shall also exclude birds, animals, insects, and excessive dust.

(2) Openings.

Openings in the roof and sidewalls shall be kept to a minimum and comply with the following:

(a) Any pipes running through the roof or sidewall of a metal drinking water storage structure shall be welded, or properly gasketed. In new concrete tanks, these pipes shall be connected to standard wall castings with seepage rings ~~which that~~ have been poured in place. Vent pipes, in additions to seepage rings, shall have raised concrete curbs ~~which that~~ direct water away from the vent pipe and are formed as a single pour with the roof deck. No roof drains or any other pipes which may contain water of less quality than drinking water shall ever penetrate the roof, walls, or floor of a drinking water storage tank.

(b) Openings in a storage structure roof or top, designated to accommodate control apparatus or pump columns, shall be welded, gasketed, or curbed and sleeved as above, and shall have additional proper shielding to prevent vandalism.

Guidance: Valves and controls shall be located outside the storage structure so that the valve stems and similar projections will not pass through the roof or top of the ~~reservoir tank~~.

~~(c) Openings shall be kept as far away as possible from the storage tank outlet and other sources of surface water.~~

(3) Adjacent Compartments.

Drinking water shall not be stored or conveyed in a compartment adjacent to wastewater when the two compartments are separated by a single wall.

(4) ~~Slope of Roof~~ Drainage.

The roof of all storage structures shall be designed for drainage to eliminate water ponding. Parapets, or similar construction, which would tend to hold water and snow, shall not be utilized unless adequate waterproofing and drainage are provided. Downspout or roof drain pipes shall not enter or pass through the ~~reservoir~~ tank.

R309-545-10. Internal Features.

~~Guidance: A means shall be provided for the draining of drinking water storage structures that is separate from the normal outlet pipeline. The floor of the storage structure shall be sloped to permit complete drainage of the structure. Also the maximum variation between high and low water levels in storage structures, providing pressure to a distribution system, shall not exceed 30 feet.~~

The following shall apply to internal features of drinking water storage structures:

(1) Drains.

- (a) A means shall be provided for the draining of drinking water storage tanks. Where possible, the drain shall be separate from the outlet pipeline.
- (b) If a tank drain line is provided, it shall be sloped for complete drainage.
- (c) If a drain is provided, it shall not discharge to a sanitary sewer.
- (d) If local authority allows discharge to a storm drain, the drain discharge shall have a physical ~~air gap~~ clearance of at least ~~two pipe diameters~~ 12 inches between the discharge end of the pipe and the overflow rim of the receiving basin.

Guidance: It is recommended that the drain line be screen with No. 4 screen.

(2) Internal Catwalks.

Internal catwalks, if provided and located ~~so as to be~~ over the drinking water, shall have a solid floor with raised edges. The edges and floor shall be ~~so~~ designed so that shoe scrapings or dirt will not fall into the drinking water.

(3) Inlet and Outlet.

(a) To minimize potential sediment in the flow from the structure tank, the normal outlet pipes from all reservoirs tanks shall be located in a manner to provide a silt trap prior to discharge into the distribution system.

(b) Inlet and outlet pipes shall be configured to provide mixing and circulation.

Guidance: ~~Where separate drains are not provided, removable silt stops shall be provided on reservoir discharge pipes. Internal baffling may also be needed in order to minimize the possibility of short circuiting through the tank.~~

(4) Disinfection Tank Floor.

The floor of the storage structure shall be sloped to permit complete drainage of the structure. ~~If the drinking water reservoir is to be utilized as a contact basin for disinfection purposes, the design engineer shall conduct tracer studies or other tests, previously approved by the Director, to determine the minimum contact time and the potential for short circuiting.~~

Guidance: ~~In order to minimize short circuiting and to maximize the effectiveness of any disinfection process, inlet and outlet pipes shall be as distant from one another as possible. Internal baffling may also be needed in order to minimize the possibility of short circuiting through the tank.~~

R309-545-11. ANSI/NSF International, Standard 61. Internal Surfaces and Coatings

(1) ANSI/NSF Standard 61 Certification.

All interior surfaces or coatings shall consist of products ~~which~~ that are certified ~~by laboratories approved by ANSI and which~~ to comply with ANSI/NSF Standard 61 or other standards approved by the Director. This requirement applies to any pipes and fittings, protective materials (e.g., paints, coatings, concrete admixtures, concrete release agents, concrete sealers), joining and sealing materials (e.g., adhesives, caulks, gaskets, primers and sealants) and mechanical devices (e.g., electrical wire, switches, sensors, valves, submersible pumps) ~~which~~ that are located so as to come into contact with the drinking water.

Guidance: ~~If it can be shown to the satisfaction of the Director that flushing, swabbing, cleaning and disinfection procedures will adequately flush a coating (e.g. release agents, curing compounds, etc.) from the tank leaving no residual exceeding any MCL, the Director may accept it's use. Prior to placing a drinking water storage reservoir back in service, where products not certified to ANSI/NSF Standard 61 are utilized, the Director may require sampling and testing for a specific compound or ingredient based upon the product used.~~

(2) Curing ~~Procedures~~Time and Volatile Organic Compounds.

- (a) Proper curing procedures shall be followed per manufacturer's directions, including curing time, temperature and forced air ventilation. Drinking water shall not be introduced into the tank until proper curing has occurred.
- (b) ~~If products which require a cure or set time are utilized in such a way as to come into contact with the drinking water, then water shall not be introduced into the vessel until any required curing time has passed.~~ It shall be the responsibility of the water purveyor system to assure that no tastes or odors, toxins or ~~other compounds~~contaminants, which result in MCL exceedances, are imparted to the water as a result of tank coating or repair.
- (c) Prior to placing a drinking water storage tank in service, cleaning, disinfection and flushing procedures shall be completed.
- (d) Prior to placing a drinking water storage tank in service, an analysis for volatile organic compounds from water contained therein may be required to verify that no such compounds have leached into the water.

~~*Guidance: Prior to placing a drinking water storage reservoir back in service, an analysis for volatile organic compounds from water contained therein is advisable to establish that no such compounds have leached into the water.*~~

R309-545-12. Steel Tanks.

(1) Paints.

Proper protection shall be given to all metal surfaces, both internal and external, by paints or other protective coatings. Internal coatings shall comply with ~~ANSI/NSF Standard 61~~R309-545-11.

(2) Cathodic Protection.

If installed, internal cathodic protection shall be designed, installed and maintained by personnel trained in corrosion engineering.

Guidance: Cathodic Protection should be considered if an external structure, such as a communication tower, is added to the tank.

R309-545-13. Tank Overflow.

All water storage structures shall be provided with an overflow ~~which that~~ is discharged at an elevation between 12 and 24 inches above the ground surface or the rim of the receiving basin. ~~with an appropriate air gap.~~ The discharges shall be directed away from the tank and shall not cause erosion.

(1) Diameter.

All overflow pipes shall be of sufficient capacity to permit waste of water in excess of the filling rate.

(2) Slope.

All overflow pipes shall ~~b~~Be sloped for complete drainage.

(3) Screen.

All overflow pipes shall be screened with No. 4 mesh non-corrodible screen installed at a location least susceptible to damage by vandalism.

(4) Visible Discharge.

All overflow pipes shall be located so that any discharge is visible.

(5) Cross Connections.

All overflow pipes shall not be connected to, or discharge into, any sanitary sewer system.

(6) Paint.

If an overflow pipe within a ~~reservoir tank~~ is painted or otherwise coated, such coating shall comply with ANSI/NSF Standard 61.

R309-545-14. Access Openings.

Drinking water storage structures shall be designed with reasonably convenient access to the interior for cleaning and maintenance.

Guidance: When considering what is reasonably convenient, ~~the design engineer shall consider that~~ it may be necessary for one individual to open the access. The access shall be hinged at one side, and counter-weighted if the lid is in excess of 60 pounds.

(1) Height.

There shall be at least one opening above the water line, which shall be framed at least ~~four~~ 4 inches above the surface of the roof at the opening; or if on a buried structure, shall be elevated at least 18 inches above any earthen cover over the structure. The frame shall be securely fastened and sealed to the tank roof so as to prevent any liquid contaminant entering the tank. Concrete drinking water storage structures shall have raised curbs around access openings, formed and poured continuous with the pouring of the roof and sloped to direct water away from the frame.

Guidance: It is preferable that access openings ~~be~~ are framed higher than the ~~four~~ 4 inches required above, and ~~more~~ if located in areas subject to heavy snows, ~~be more in the area of 24 to 36 inches.~~

(2) Shoebox Lid.

The frame of any access opening shall be provided with a close-fitting, solid shoebox type cover ~~which~~ that extends down around the frame at least two inches and is furnished with a gasket(s) between the lid and frame. The horizontal surface of the tank lid shall not have any openings, cracks, or penetrations, such as a lock, key hole, or bolted handle, that would allow contaminants to enter the tank.

Guidance: ~~By "solid" the Division means having no opening, cracks or other penetrations of the lid which could allow liquid contaminants to enter the tank. Designers Those wishing to utilize pre-manufactured roof shutters/hatches as access lids for drinking water storage structures shall~~ should contact the distributor of such and make clear that any penetrations through the lid is not acceptable.

(3) Locking Device.

The lid to any access opening shall have a locking device.

R309-545-15. Venting.

Drinking water storage structures shall be vented. The air venting capacity shall exceed the water inflow and the water outflow of the tank. Overflows shall not be considered or used as vents.

Vents provided on drinking water storage ~~reservoirs~~ tanks shall:

(1) Inverted Vent.

Be downturned a minimum of ~~two~~ 2 inches below any opening ~~or~~ and shielded to prevent the entrance of ~~surface water and rainwater~~ contaminants.

(2) Open **Discharge** Venting.

On buried structures, ~~have the discharge~~ the end of the vent discharge shall be a minimum of 24 inches above the earthen covering.

Guidance: In areas of heavy snowfall, it is recommended that the vent discharge be raised.

(3) Blockage.

Be located and sized so as to avoid blockage during winter conditions.

~~(4) Pests.~~

~~Exclude birds and animals.~~

~~(5) Dust.~~

~~Exclude insects and dust, as much as this function can be made compatible with effective venting.~~

(46) Screen.

Be fitted with No. 14 mesh or finer non-corrodible screen.

(57) Screen Protector.

~~Vents that are 6-inch diameter or greater shall be~~ fitted with additional heavy gage screen or substantial covering which will protect the No. 14 mesh screen against vandalism, ~~and, further, discourage purposeful attempts to contaminate the reservoir.~~

R309-545-16. Freezing Prevention.

All drinking water storage structures and their appurtenances, especially the riser pipes, overflows, and vents, shall be designed to prevent freezing, which may interfere with proper functioning.

R309-545-17. Level Controls.

Adequate level control devices shall be provided to maintain water levels in storage structures.

~~**R309-545-18. Security.**~~

~~Locks on access manholes, and other necessary precautions shall be provided to prevent unauthorized entrance, vandalism, or sabotage.~~

~~*Guidance: Fencing is advisable where the reservoir is highly accessible to the public or livestock. Where electricity or telemetry is available, consideration shall be given to the installation of electronic security equipment.*~~

R309-545-189. Safety.

(1) Utah OSHA.

The safety of employees shall be considered in the design of the storage structure. Ladders, ladder guards, platform railings, and safely located entrance hatches shall be provided where applicable. As a minimum, such matters shall conform to pertinent laws and regulations of the Utah Occupational Safety and Health ~~Administration~~ Division.

(2) Ladders.

~~Generally, ladders having an unbroken length in excess of 20 feet shall be provided with appropriate safety devices~~ features, such as safety cage, safety harness, platforms, etc.

~~This requirement shall apply both to interior and exterior reservoir ladders.~~

(3) Requirements for Elevated Tanks.

Elevated tanks shall have railings or handholds provided for ~~transfer from the~~ accessing tube to the water compartment.

R309-545-2019. Disinfection.

Drinking water storage structures shall be disinfected before being put into service for the first time, and after being entered for cleaning, repair, or painting. The ~~reservoir tank~~ shall be cleaned of all refuse and shall then be washed with ~~potable drinking~~ water prior to adding the disinfectant. AWWA Standard C652-~~02-11~~ shall be followed for ~~reservoir tank~~ disinfection, ~~with the exception there shall be no delivery of waters used in the disinfection process to the distribution system, unless specifically authorized, in writing, by the Director.~~

Upon completing any of the three methods for storage tank chlorination, as outlined in AWWA C652-~~0211~~, the water system must properly dispose of residual super-chlorinated waters in the outlet pipes. Other super-chlorinated waters, which are not to be ultimately diluted and delivered into the distribution system, shall also be properly disposed. Chlorinated water discharged from the storage tank shall be disposed of in conformance with R317 of the Utah Administrative Code).

~~*Guidance: The Director may require sampling and analysis of water prior to authorizing it's delivery into a distribution system.*~~

~~Chlorinated water discharged from the storage tank shall be disposed of in an acceptable manner and in conformance with the rules of the Utah Water Quality Board (see R317 of the Utah Administrative Code).~~

R309-545-210. Incorporation by Reference.

The following list of Standards shall be considered as incorporated by reference in this specific rule. The most recent published copy of the referenced standard will apply in each case.

(1) AWWA Standards.

- (a) C652-~~0211~~, Disinfection of Water Storage Reservoirs.
- (b) D100-~~0511~~, Welded Steel Tanks for Water Storage.
- (c) D101-53(~~R86~~), Inspecting and Repairing Steel Water Tanks, Standpipes, Reservoirs, and Elevated Tanks for Water Storage.
- (d) D102-~~0311~~, Coating Steel Water-Storage Tanks.
- (e) D103-~~9709~~, Factory-Coated Bolted Steel Tanks for Water Storage.
- (f) D104-~~0411~~, Automatically Controlled, Impressed-Current Cathodic Protection

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for the Interior Submerged Surfaces of Steel Water Tanks.

(g) D110-~~0413~~, Wire- and Strand-Wound, Circular, Prestressed -Concrete Water Tanks (~~including addendum D110a-96~~).

(h) D115-~~9506~~, Circular Prestressed Concrete Water Tanks With Circumferential Tendons Tendon-Prestressed Concrete Water Tanks.

(i) D120-~~0209~~, Thermosetting Fiberglass-Reinforced Plastic Tanks.

(j) D130-~~0211~~, Flexible Membrane Lining and Floating Cover Materials for Potable Water Storage Geomembrane Materials for Potable Water Applications.

(2) NSF International Standards.

(a) NSF 60, Drinking Water Treatment Chemicals - Health Effects.

(b) NSF 61, Drinking Water System Components - Health Effects.

(3) Utah OSHA.

Applicable standards of the Utah Occupational Safety and Health Administration Division are hereby incorporated by reference.

R309-545-221. Operation and Maintenance of Storage Tanks.

(1) Inspection and Cleaning.

Tanks ~~which that~~ are entered for inspection and cleaning shall be disinfected in accordance with AWWA Standard C652-~~02-11~~ prior to being returned to service. ~~When diver(s) enter storage tanks that have not been drained for inspection purposes, they shall comply with section five of the above standard unless the tank is constructed of steel, in which case they shall comply additionally with AWWA Standard D101-53(R86).~~

(2) Recoating or Repairing.

Any substance used to recoat or repair the interior of drinking water storage tank shall be certified to conform with ANSI/NSF Standard 61. If the tank is not drained for recoating or repairing, any substance or material used to repair interior coatings or cracks shall be suitable for underwater application, as indicated by the manufacturer, as well as comply with both ANSI/NSF Standards 60 and 61. Recoating of the interior of a drinking water tank shall comply with the plan review requirements of R309-500-5(1)(c)(i).

(3) Seasonal Use.

Water storage tanks, which are operated seasonally, shall be flushed and disinfected in accordance with AWWA Standard C652-~~02-11~~ prior to each season's use. Certification of proper disinfection, ~~as evidenced by at least one satisfactory bacteriologic sample~~, shall be obtained by the water system management and kept on file ~~for inspection by personnel of the Division~~. During the non-use period, care shall be taken to see that openings to the

water storage tank (those which are normally closed and sealed during normal use) are closed and secured.

KEY: drinking water, storage tanks, access, overflow and drains

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Notice of Continuation: March 22, 2010

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R309-550. Facility Design and Operation: Transmission and Distribution Pipelines.

R309-550-1. Purpose.

The purpose of this rule is to provide specific requirements for the design and installation of transmission and distribution pipelines ~~which-that~~ are utilized to deliver ~~culinary~~ drinking water to facilities of public drinking water systems or to consumers. It is intended to be applied in conjunction with rules R309-500 through R309-550. Collectively, these rules govern the design, construction, operation and maintenance of public drinking water system facilities. These rules are intended to assure that such facilities are reliably capable of supplying adequate quantities of water, which consistently meet applicable drinking water quality requirements and do not pose a threat to general public health.

R309-550-2. Authority.

This rule is promulgated by the Drinking Water Board as authorized by Title 19, Environmental Quality Code, Chapter 4, Safe Drinking Water Act, Subsection 104(1)(a)(ii) of the Utah Code and in accordance with Title 63G, Chapter 3 of the same, known as the Administrative Rulemaking Act.

R309-550-3. Definitions.

Definitions for certain terms used in this rule are given in R309-110 but may be further clarified herein.

R309-550-4. General.

Transmission and distribution pipelines shall be designed, constructed, and operated to convey adequate quantities of water at ample pressure, while maintaining water quality.

R309-550-5. Water Main Design.

(1) Distribution System Pressure.

(a) The distribution system shall be designed to maintain minimum pressures as required in R309-105-9 ~~(at ground level)-at all_~~ points of connection, under all conditions of flow, ~~but especially during peak day flow conditions, including fire flows.~~

(b) When static pressure exceeds 120 psi in new distribution water lines, pressure reducing devices shall be provided on mains in the distribution system where service connections exist.

Guidance: The normal working pressure in the distribution system ~~shall~~ should be between 640 and 860 psi. ~~When static pressure exceed 80 psi, pressure reducing devices shall be provided on mains in the distribution system, or individual home pressure reducing valves shall be installed per the Utah Plumbing Code.~~

(2) ~~Assumed~~ Design Flow Rates.

Flow rates ~~to be assumed~~ used when designing or analyzing distribution systems shall ~~be~~ meet the minimum requirements as given in R309-510 ~~of these rules.~~

(3) ~~Computerized Network~~ Hydraulic -Analysis.

(a) All water mains shall be sized after a hydraulic analysis based on flow demands and pressure requirements. ~~If the calculations needed to conduct this hydraulic analysis are complex, a computerized network analysis shall be performed to verify that the distribution system will be capable of meeting the requirements of this rule.~~

(b) Where improvements will upgrade more than 50% of an existing distribution system, or where a new distribution system is proposed, a hydraulic analysis of the entire system shall be prepared and submitted for review prior to plan approval.

(c) Some projects require a hydraulic model. The Division may require submission of a hydraulic modeling report and/ or certification, as outlined in R309-511, prior to plan approval. In the analysis and design of water distribution systems, the following Hazen-William coefficients shall be used: PVC pipe = 140; Ductile Iron Pipe = 120; Cement-Mortar Lined Ductile Iron Pipe = 130 to 140.

(4) Minimum Water Main Size.

For water mains not connected to fire hydrants, the minimum line size shall be 4-inch diameter, unless it serves picnic sites, parks, semi-developed camps, primitive camps or roadway rest-stops. Minimum water main size, serving a fire hydrant lateral, shall be 8-inch diameter unless a hydraulic analysis indicates that required flow and pressures can be maintained by ~~smaller~~ 6-inch lines.

Guidance: Generally, velocity in a water main shall not exceed 5 fps. Mains shall be designed with sufficient excess capacity to provide for anticipated future connections.

(5) Fire Protection.

~~If~~ When a public water system is required to provide water for fire ~~suppression~~ flow by the local fire ~~authority~~ code official, or if the system has installed fire hydrants on existing distribution mains for that purpose:

(a) The design of the distribution system shall be consistent with the fire flow requirements as determined by the local fire code official. Appendix B of the 2003 International Fire Code. As specified in this code, minimum fire flow requirements are:

(i) 1000 gpm for one and two family dwellings with an area of less than 3600 square feet.

(ii) 1500 gpm or greater for all other buildings.

Guidance: The State Fire Marshall's office has stated that "The State adopted fire code recognizes that water mains intended for firefighting need not become subject to retroactive fire flow requirements. As such, an existing system is considered code compliant as long as it is maintained properly and new construction does not alter the fire flow requirement. Water companies are encouraged to make improvements incrementally to avoid a possible moratorium on development due to lack of water, i.e., fire flow."

(b) The location of fire hydrants shall be consistent with Appendix C of the 2003 International Fire Code. As specified in this code, average spacing between hydrants must be no greater than 500 ft. the requirements of the State adopted fire code and as determined by the local fire code official.

Guidance: Generally, individual hydrant spacing may range from 350-200 to 500 feet depending on the area being served. Hydrants shall be provided at each street intersection and at intermediate points between intersection. The planning of hydrant locations shall be a cooperative effort between the water utility and local fire officials.

~~(c) An exception to the fire protection requirements of (a) and (b) may be granted if a suitable statement is received from the local fire protection authority.~~

~~(d) Water mains not designed to carry fire flows shall not have fire hydrants connected to them.~~

(c) The pipe network design shall permit fire flows to be met at Rrepresentative locations while minimum pressures as required in R309-105-9 are maintained at all times and at all points in the distribution system.

(e)(d) Fire hydrant laterals shall be a minimum of 6-inches in diameter.

Guidance: For guidance on conducting this analysis, refer to AWWA Manual M31, Distribution System Requirements for Fire Protection.

~~(f) As a minimum, the flows to be assumed during a fire flow analysis shall be~~

the "peak day demand" plus the fire flow requirement.

~~*Guidance: See section R309-510-5 for information on how to estimate the "peak day demand" for various types of public water systems.*~~

(6) Geologic Considerations.

The character of the soil through which water mains are to be laid shall be considered. ~~This information shall accompany any submittal for a pipeline project. Special design and burial techniques shall be employed for Community water systems in areas of geologic hazard (e.g., slide zones, fault zones, river crossings, etc.)~~

~~*Guidance: If possible, pipelines shall not be laid in areas of unusual geologic hazard (e.g., slide zones, fault zones, etc.) Where these areas are impossible to avoid, special design and burial techniques shall be employed. IN areas of high earthquake hazard, it is recommended that pipe be of a type least vulnerable to damage by earthquake, such as ductile iron and PVC pipe.*~~

~~*Guidance: Water supply conduits and major service lines crossing known fault areas should be either designed to accommodate significant differential movement of the ground, or be valved immediately above and below the points of fault crossing to allow control of water flow, in case of pipe rupture during an earthquake event.*~~

~~*Guidance: Water systems should be designed to provide alternative flow paths for major conduits in regions of known geologic hazards.*~~

(7) Dead Ends.

(a) In order to provide increased reliability of service and reduce head loss, dead ends shall be minimized by making appropriate tie-ins whenever practical.

(b) Where dead-end mains occur, they shall be provided with a fire hydrant if flow and pressure are sufficient, or with an approved flushing hydrant or blow-off for flushing purposes. Flushing devices shall be sized to provide flows ~~which that~~ will give a velocity of at least 2.5 fps in the water main being flushed. No flushing device shall be directly connected to any sewer.

(8) Isolation Valves.

Sufficient valves shall be provided on water mains so that inconvenience and sanitary hazards will be minimized during repairs. Valves shall be located at not more than 500-foot intervals in commercial districts and at not more than one block or 800-foot intervals in other districts. Where systems serve widely scattered customers and where future development is not expected, the valve spacing shall not exceed one mile.

(9) Corrosive Soils and Waters.

The design engineer shall consider the materials to be used when corrosive soils or waters will be encountered.

Guidance: Where severe corrosion is indicated, approved plastic pipe is recommended.

(10) Special Precautions in Areas of ~~Groundwater~~ Contamination by ~~Organic Compounds~~.

Where distribution systems are installed in areas of ~~groundwater~~ contaminated by ~~organic compounds~~:

- (a) ~~P~~Pipe and joint materials, which are not subject to contamination, such as permeation of the organic compounds, shall be used, and.
- (b) ~~N~~non-permeable materials shall be used for all portions of the system including water main, service connections, and hydrant leads.

(11) Separation of Water Mains from Other Sources of Contamination.

Design engineers shall exercise caution when locating water mains at or near certain sites such as sewage treatment plants or industrial complexes. Individual septic tanks shall be located and avoided. The engineer shall contact the Division to establish specific design requirements for locating water mains near any source of contamination.

Guidance: It is recommended that utility lines are clearly identified and different from one another.

R309-550-6. Component Materials and Design.

(1) ANSI/NSF Standard for Health Effects.

All materials which may contact drinking water, including pipes, gaskets, lubricants and O-Rings, shall be ANSI-certified as meeting the requirements of NSF Standard 61, Drinking Water System Components - Health Effects. To permit field-verification of this certification, all such components shall be appropriately stamped with the NSF logo.

(2) ~~Restrictions on~~ Asbestos and Lead.

- (a) The use of asbestos cement pipe shall not be allowed.
- (b) Pipes and pipe fittings installed after January 4, 2014, containing more than 8% lead shall not be used. Lead-tip gaskets shall not be used. Repairs to lead joint pipe shall be made using alternative methods. Are required to be "lead free" in accordance with Section 1417 of the Federal Safe Drinking Water Act. They shall be certified as meeting ANSI/NSF 372 or Annex G of ANSI/NSF 61.

(3) AWWA Standards for Mechanical Properties.

Pipe, joints, fittings, valves, and fire hydrants shall conform to ANSI/NSF Standard 61 ~~or~~

~~Standard 14~~, and applicable sections of ANSI/AWWA Standards C104-A21.4-038 through C550-05 and C900-07 through C950-07.

(4) Used Materials.

Only materials ~~which that~~ have been used previously for conveying ~~potable drinking~~ water may be reused. Used materials shall meet the above standards, be thoroughly cleaned, and be restored practically to their original condition.

(5) Fire Hydrants Design.

~~Guidance: Fire hydrants shall have a bottom valve size of at least five inches, one 4.5 inch pumper nozzle and two 2.5 in nozzles.~~

~~Guidance: The hydrant lead shall be a minimum of six inches in diameter. Auxiliary valves shall be installed in all hydrant leads.~~

(a) Hydrant drains shall not be connected to, or located within, 10 feet of sanitary sewers or storm drains.

(a)(b) Auxiliary valves shall be installed in all hydrant leads.

(c) Hydrant drains shall be installed with a gravel packet or dry well unless the natural soils will provide adequate drainage.

~~Guidance: Hydrant drains shall be plugged. When the drains are plugged, the barrels shall be pumped dry after use during freezing weather. Where hydrant drains are not plugged, a gravel pocket or dry well shall be provided unless the natural soils will provide adequate drainage.~~

(6) Air Relief Valves and Blow-offs.

(a) At high points in water mains where air can accumulate, provisions shall be made to remove air by means of hydrants or air relief valves. ~~Automatic air relief valves shall not be used in situations where flooding may occur.~~

(b) The open end of the air relief vent pipe from automatic valves shall be provided with a #14 mesh, non-corrodible screen and a downward elbow, and where possible, be extended to at least one foot above grade. Alternatively, the open end of the pipe may be extended to as little as one foot above the top of the pipe if the valve's chamber is not subject to flooding or if it meets the requirements of (7) Chamber Drainage.

(c) Blow-offs or air relief valves shall not be connected directly to any sewer.

(d) Adequate hydrants or blow-offs shall be provided to allow periodic flushing and cleaning.

(e) The air relief valve shall be placed so as to prevent problems due to freezing. A shut-off valve shall be provided to permit servicing of any air relief valve.

~~Guidance: The air relief valve shall be placed so as to prevent problems due to freezing. A shut-off valve shall be provided to permit servicing of any air relief valve.~~

~~(a) Air Relief Valve Vent Piping.~~

~~The open end of an air relief vent pipe from automatic valves shall, where possible as determined by public water system management, be extended to at least one foot above grade and provided with a screened (#14 mesh, non-corrodible) downward elbow. Alternately, the open end of the pipe may be extended to as little as one foot above the top of the pipe if the valve's chamber is not subject to flooding and provided with a drain to daylight (See (b) below). Blow-offs or air relief valves shall not be connected directly to any sewer.~~

~~Chamber Drainage.~~

(7) Chamber Drainage

(a) Chambers, pits, or manholes containing valves, blow-offs, meters, or other such appurtenances to a distribution system, shall not be connected directly to any storm drain or sanitary sewer.

(a)(b) Chambers shall be provided with a drain to daylight, if possible. Where this is not possible, underground gravel-filled absorption pits may be used if the site is not subject to flooding and conditions will assure adequate drainage. Sump pumps may also be considered if a drain to daylight or absorption pit is not feasible. Where a chamber contains an air relief valve, and it is not possible to provide a drain to daylight, the vent pipe from the valve shall be extended to at least one foot above grade (See (a) above). Only when it is both impossible to extend the vent pipe above grade, and impossible to provide a drain to daylight may a gravel filled sump be utilized to provide chamber drainage (assuming local ground conditions permit adequate drainage without ground water intrusion).

~~Guidance: PVC Pipe Considerations. Consideration shall be given to placing tracer tape on PVC pipe to permit location of the pipe by available detection equipment. Furthermore, systems subject to severe freezing episodes shall consider that a typical method for thawing pipe requires metal pipe.~~

(8) Control Valve Stations

(a) Pressure Reducing Valves (PRV's)

(i) Isolation Valves shall be installed on either side of the pressure reducing valve.

(ii) Where variable flow conditions will be encountered, consideration should be given to providing a low-flow and a high-flow line.

(b) Backflow Devices

Installation of Backflow devices shall conform to the State adopted plumbing code.

(c) Meters

Meter installation shall conform to the State adopted plumbing code and local jurisdictional standards.

R309-550-7. Separation of Water Mains and Transmission Lines from Sewers and Other Pollution Sources.

(1) Basic Separation Standards.

(a) The horizontal distance between ~~pressure~~ water ~~mains~~ lines and sanitary sewer lines shall be at least ~~ten~~ 10 feet. Where a water main and a sewer line must cross, the water main shall be at least 18 inches above the sewer line. Separation distances shall be measured edge-to-edge (i.e., from the nearest edges of the facilities).

(b) Water mains and sewer lines shall not be installed in the same trench.

(c2) ~~Exceptions to Basic Separation Standards.~~

~~Where local conditions make it impossible to, such as available space, limited slope, existing structures, etc., may create a situation where there is no alternative but to~~ install water ~~mains~~ or sewer lines at a ~~distance less~~ separation distances ~~than that~~ required by ~~s~~ Subsection (a), above, ~~and the sewer pipes are in good condition, and there is not high groundwater in the area, it may be acceptable if the design includes a minimum separation of 6 feet and a minimum vertical clearance of 18-inches with the waterline being above. In order to determine whether such design is acceptable, the following information shall be submitted as part of the plans for review. Exceptions to the rule may be provided by the Director if it can be shown that the granting of such an exception will not jeopardize the public health.;~~

(i) ~~reason for not meeting the minimum separation standard.~~

(ii) ~~location where the water and sewer line separation is not being~~

- met.
 - (iii) horizontal and vertical clearance that will be achieved.
 - (iv) sewer line information including pipe material, size, age, type of joints, thickness or pressure class, if the pipe is pressurized or not
 - (v) water line information including pipe material, size, age, type of joints, thickness or pressure class
 - (vi) ground water and soil conditions; and
 - (vii) any mitigation efforts
- (d) If the basic separation standards as outlined in subsections (a) through (c) above, cannot be met, an exception to rule can be applied for, in accordance with R309-105-6(2)(b).

Guidance: Consideration should be given to placing warning tape above the water lines and/ or sewer lines

(3) Special Provisions.

The following special provisions apply to all situations:

(a) The basic separation standards are applicable under normal conditions for sewage collection lines and water distribution mains. More stringent requirements may be necessary if conditions such as high groundwater exist.

~~(b) Sewer lines shall not be installed within 25 feet horizontally of a low head (5 psi or less pressure) water main.~~

~~(e)(b) Sewer lines shall not be installed within 50 feet horizontally of any transmission line segment which may become unpressurized. All water transmission lines that may become unpressurized shall not be installed within 20 feet of sewer lines.~~

~~(d) New water mains and sewers shall be pressure tested where the conduits are located ten feet apart or less.~~

~~(e)(c)~~ In the installation of water mains or sewer lines, measures shall be taken to prevent or minimize disturbances of the existing line.

~~(f)(d)~~ Special consideration shall be given to the selection of pipe materials if corrosive conditions are likely to exist where the minimum separation distances cannot be met. These conditions may be due to soil type, groundwater, and/or the nature of the fluid conveyed in the conduit, such as a septic sewage which produces corrosive hydrogen sulfide

~~(g)(e)~~ Sewer Force Mains

~~(i) Sewer force mains shall not be installed within ten feet (horizontally) of a water main.~~

~~(ii) When a sewer force main must cross a water line, the crossing shall be as close as practical to the perpendicular. The sewer force main shall be at least 18 inches below the water line.~~

(iii) When a new sewer force main crosses under an existing water main, all portions of the sewer force main within ~~ten~~ 10 feet (horizontally) of the water main shall be enclosed in a continuous sleeve.

(iv) When a new water main crosses over an existing sewer force main, the water main shall be constructed of pipe materials with a minimum rated working pressure of 200 psi or equivalent pressure rating.

(4) Water Service Laterals Crossing Sewer Mains and Laterals.

Water service laterals shall conform to all requirements given herein for the separation of water and sewer lines.

R309-550-8. Installation of Water Mains.

(1) Standards.

(a) The specifications shall incorporate the provisions of the manufacturer's recommended installation procedures or the following applicable standards:

(i) For ductile iron pipe, AWWA Standard C600-1005, Installation of Ductile Iron Water Mains and Their Appurtenances;

(ii) For PVC pipe, ASTM D2774, Recommended Practice for Underground Installation of Thermoplastic Pressure Piping and PVC Pipe and AWWA Manual of Practice M23, 2003;

(iii) For HDPE pipe, ASTM D2774, Recommended Practice for Underground Installation of Thermoplastic Pressure Piping and AWWA Manual of Practice M55, 2006; and

(iv) For Steel pipe, AWWA Standard C604-11, Installation of Buried Steel Water Pipe- 4 inch and Larger

~~(b) The provisions of the following publication shall be followed for PVC pipe design and installation:~~

~~PVC Pipe Design and Installation, AWWA Manual M23, 2002, published by the American Water Works Association~~

Guidance: Consideration should be given to placing tracer wire on plastic pipe to

permit location of the pipe by available detection equipment.

(2) Bedding.

A continuous and uniform bedding shall be provided in the trench for all buried pipe. Stones larger than the backfill materials described below shall be removed for a depth of at least six inches below the bottom of the pipe.

(3) Backfill.

Backfill material shall be tamped in layers around the pipe and to a sufficient height above the pipe to adequately support and protect the pipe. The material and backfill zones shall be as specified by the standards referenced in Subsection (1), above. As a minimum:

- (a) ~~f~~For plastic pipe, backfill material with a maximum particle size of 3/4 inch shall be used to surround the pipe; and-
- (b) ~~f~~For ductile iron pipe, backfill material shall contain no stones larger than 2 inches.

(4) Dropping Pipe into Trench.

Under no circumstances shall the pipe or accessories be dropped into the trench.

(5) Burial Cover.

All water mains shall be covered with sufficient earth or other insulation to prevent freezing unless they are part of a non-community system that can be shut-down and drained during winter months when temperatures are below freezing.

Guidance: Pipe shall be buried at least 12 inches below maximum expected frost penetration. The following is a list of reported pipe burial depths in Utah ~~which~~ that may serve as a guide in this respect:

- (A) Logan - 5ft.
- (B) Salt Lake City - 3.5 ft. (5 ft. in high benches)
- (C) Alta/Snowbird - 6 ft. (7 ft. if under roadway)
- (D) St. George - 3ft.
- (E) Park City - 5ft. (7 ft. above 7000 ft. elevation)
- (F) Richfield - 4 ft.
- (G) Moab - 4 ft.

(6) Thrust Blocking.

All tees, bends, plugs and hydrants shall be provided with ~~reaction-thrust~~ blocking, anchoring, tie rods or restraint joints designed to prevent movement. Restraints shall be

sized to withstand the forces experienced.

(7) Pressure and Leakage Testing.

All types of installed pipe shall be pressure tested and leakage tested in accordance with AWWA Standard C600-1099.

(8) Surface Water Crossings.

Guidance: Surface water crossings, whether over or under water, present special problems; the Division shall be consulted before final plans are prepared.

(a) Above Water Crossings

The pipe shall be adequately supported and anchored, protected from damage and freezing, and accessible for repair or replacement.

(b) Underwater Crossings

(i) A minimum cover of ~~two~~2 feet or greater, as local conditions may dictate, shall be provided over the pipe.

~~(i)~~(ii) When crossing water courses which are greater than 15 feet in width, the following shall be provided:

~~(A)~~ (i) ~~The pipe~~ with joints shall be of special construction, having restrained joints for any joints within the surface water course and flexible restrained joints at both edges of the water course.

~~(B)~~ (ii) Isolation ~~Valves~~ shall be provided ~~at on~~ both ~~ends sides~~ of the water crossings at locations not subject to high ground water or flooding, so that the section can be isolated for testing or repair; ~~the valves shall be easily accessible, and not subject to flooding; and the valve nearest to the supply source shall be in a manhole.~~

~~(C)~~ (iii) ~~A means shall be provided, such as a sampling tap, not subject to flooding, to allow for representative water quality testing on the upstream and downstream sides of the crossing. Permanent taps shall be made on each side of the valve within the manhole to allow insertion of testing equipment to determine leakage and for sampling purposes.~~

(D) A means shall be provided to pressure test the underground water crossing pipe.

(9) Sealing Pipe Ends During Construction.

The open ends of all pipelines under construction shall be covered and effectively sealed at the end of the day's work.

(10) Disinfecting Water ~~Distribution Systems~~ Lines.

All new water mains or appurtenances shall be disinfected in accordance with AWWA Standard C651-05 or method approved by the Director. The specifications shall include detailed procedures for the adequate flushing, disinfection and microbiological testing of all water mains. On all new and extensive distribution system construction, evidence of satisfactory disinfection shall be provided to the Division. Samples for coliform analyses shall be collected after disinfection is complete and the system is refilled with potable drinking water. A standard heterotrophic plate count is advisable. The use of water for culinary-public drinking water purposes shall not commence until the bacteriologic tests indicate the water to be free from contamination.

R309-550-9. Cross Connections and Interconnections.

(1) Physical Cross Connections.

There shall be no physical cross connections between the distribution system and pipe, pumps, hydrants, or tanks ~~which are supplied from, or which may be supplied or~~ contaminated from, any source, including pressurized irrigation, except as approved by the Director.

(2) Recycled Water.

Neither steam condensate nor cooling water from engine jackets or other heat exchange devices shall be returned to the potable drinking water supply.

(3) System Interconnects.

~~The approval of the Director shall be obtained for~~ interconnections between different potable drinking water ~~supply~~ systems shall be reviewed and approved by the Director.

Guidance: In some situations hydraulic modeling or capacity development calculations may be required when proposing a system interconnect.

R309-550-10. Water Hauling.

(1) Community Water Systems.

Water hauling is not an acceptable permanent ~~method-source~~ for culinary drinking water distribution in community water systems. ~~Proposals for water hauling shall be submitted to and approved by the Director.~~

(21) Exceptions Non-community Systems.

The Director may allow ~~its water hauling use~~ for non-community public water ~~supply systems by special approval~~ if:

- (a) Consumers could not otherwise be supplied with good quality drinking water, or
- (b) The nature of the development, or ground conditions, are such that the placement of a pipe distribution system is not justified.

Proposals for water hauling shall be submitted to and approved by the Director.

(32) Emergencies.

~~Water h~~auling ~~may also be necessary as may be~~ a temporary means of providing ~~culinary drinking~~ water in an emergency.

Guidance: The guidelines for water hauling are contained in the bulletin entitled "Recommended Procedures for Hauling Culinary Water" available from the Division.

R309-550-11. Service Connections and Plumbing.

(1) Service Taps.

Service taps shall be made so as to not jeopardize the ~~sanitary~~ quality of the system's water.

(2) Plumbing.

~~Service lines shall be capped until used.~~

(a) Water services and plumbing shall conform to the Utah Plumbing Code.

~~(a) Solders and flux containing more than 0.2% lead and pipe and pipe fittings containing more than 8% lead shall not be used.~~

(b) Pipes and pipe fittings installed after January 4, 2014, are required to be "lead-free" in accordance with Section 1417 of the federal Safe Drinking Water Act. They shall be certified meeting the ANSI/NSF 372 or Annex G of ANSI/NSF 61.

(3) Individual Home Booster Pumps.

Individual booster pumps shall not be allowed for any individual service from the public

water supply mains. Exceptions to the rule may be ~~provided~~ granted by the Director if it can be shown that the granting of such an exception will not jeopardize the public health.

~~*Guidance: Public water systems are responsible to adequately design and maintain their systems in order to deliver an adequate quantity of clean, safe, drinking water to their customers while maintaining certain minimum pressures at all times, including peak demands (see R309-105-9).*~~

Public water systems are being required to develop and operate a program to protect their systems ~~from backflow or backsiphonage~~ contaminations. An individual home booster pump, if installed such that the suction side of the pump draws directly from the system's water main rather than through an intermediate holding tank, may reduce the pressure in the main to less than 20 psi (perhaps even creating a vacuum), thereby increasing the potential for contaminated water to enter the distribution system through any minor undetected leaks that may exist.

We cannot regulate the individual homeowner, but we do not want to encourage public water systems to proliferate the use of such pumps. Rule R309-105-6(2)(b) ("exceptions") will still be available for individual cases where there is no other acceptable alternative, but each public water system shall review language included in their service agreements with customers and perhaps modify such as needed to make it clear to the homeowner and any plumbing inspector that such pumps are not allowed, ~~even if stated otherwise by the Plumbing Code~~, without the permission of the ~~supplier~~ public water system and authorized by the Director.

Fire sprinkler systems are increasingly required by local fire protection agencies for new buildings including residential units. As the number of these systems increases there will likely be instances where the water main pressure is inadequate to operate fire sprinklers at the desired flow rate. The fire sprinkler industry has developed booster pumps integral with the sprinkler piping to meet low pressure circumstances. These integral booster pumps will only operate during fire emergencies and will not affect normal distribution system pressures. During a fire emergency, the pump should not decrease line pressure any more than a fire hydrant. Accordingly, the Division considers these fire sprinkler booster pumps outside the intent of R309-550-11(3), and not require their installation to be approved by the Division Director only if their installation conforms to the Utah adopted Plumbing Code and National Fire Protection Association (NFPA) 13 D, Standard for the Installation of Sprinkler Systems in one and two-family dwellings and manufactured homes.

(4) Service Lines.

(a) Service lines shall be capped until connected for service.

(b) The portion of the service line under the control of the water ~~supplier system~~ is considered to be part of the distribution system. ~~and shall comply with all requirements given herein.~~

(5) Service Meters and Building Service Line.

Connections between the service meter and the home shall be in accordance with the Utah Plumbing Code.

~~**(6) Allowable Connections.**~~

~~All dwellings or other facilities connected to a public water supply shall be in conformance with the Utah Plumbing Code.~~

R309-550-12. Transmission Lines.

(1) Unpressurized Flows.

Transmission lines shall conform to all applicable requirements in this rule. Transmission line design shall minimize unpressurized flows.

(2) Proximity to Concentrated Sources of Pollution.

A water supplier shall not route an unpressurized transmission line any closer than ~~fifty~~ 20 feet to any concentrated source of pollution (i.e. septic tanks and drain fields, garbage dumps, pit privies, sewer lines, feed lots, etc.). Furthermore, unpressurized transmission lines shall not be placed in boggy areas or areas subject to the ponding of water.

~~**(3) Exceptions.**~~

~~Where the water supplier cannot obtain a fifty foot separation distance from concentrated sources of pollution, it is permitted to use a Class 50 ductile iron pipe with joints acceptable to the Director. Reasonable assurance must be provided to assure that contamination will not be able to enter the unpressurized pipeline.~~

~~*Guidance: To assure continued protection of the transmission line, the water supplier shall obtain a fifty foot right-of-way on each side of the transmission line.*~~

~~*Guidance: Water supply conduits and major service lines crossing known fault areas shall be either designed to accommodate significant differential movement of the ground or be valued immediately above and below the points of fault crossing to allow control of water flow in case of pipe rupture during an earthquake event.*~~

~~*Guidance: Water supply systems which receive their supply from more than one source shall be designed to provide alternative flow paths for major conduits in regions of known faults or, if such is not possible, that parallel routing of major conduits be avoided.*~~

R309-550-13. Operation and Maintenance.

(1) Disinfection After Line Repair.

The disinfection procedures of Section 4.7, AWWA Standard C651-05 shall be followed if any water main is cut into or repaired.

(2) Cross Connections.

The water ~~supplier system~~ shall not allow a connection ~~which that~~ may jeopardize water quality. Cross connections are not allowed unless controlled by an approved and properly operating backflow prevention assembly. The requirements of the Utah Plumbing Code shall be met with respect to cross connection control and backflow prevention.

~~Suppliers Water systems~~ shall maintain an inventory of each pressure vacuum breaker assembly, spill-resistant vacuum breaker assembly, double check valve assembly, reduced pressure principle backflow prevention assembly, and high hazard air gap used by their customers, and a service/inspection record for each such assembly.

Backflow prevention assemblies shall be inspected and tested at least once a year, by an individual certified for such work. This responsibility may be borne by the water system or the water system management may require that the customer ~~having with~~ the backflow prevention assembly be responsible for having the device tested.

~~Suppliers Water systems~~ serving areas also served by a pressurized irrigation system shall ~~prevent not allow~~ cross connections between the two. ~~Requirements for pressurized irrigation systems are outlined in Section 19-4-112 of the Utah Code.~~

(3) ANSI/NSF Standards.

All pipe and fittings used in routine operation and maintenance shall be ANSI-certified as meeting NSF Standard 61 or Standard 14.

(4) Seasonal Operation.

Water systems operated seasonally shall be disinfected and flushed according to ~~the techniques given in~~ AWWA Standard C651-05 for pipelines and AWWA Standard C652-02-11 for storage facilities prior to each season's use. A satisfactory bacteriologic sample shall be ~~achieved-obtained~~ prior to use. During the non-use period, care shall be taken to close all openings into the system.

Guidance: *Emergencies*

Water systems ~~in areas subject to high earthquake hazard~~ are encouraged to develop contingency plans for obtaining pipe and appurtenances in an emergency. The stockpiling of material shall be considered.

~~*Guidance: Operation and Maintenance Procedures Requiring Plan Approval.*~~

~~*Refer to Subsection R309-500-5 to determine under what circumstances a pipeline repair or replacement procedure shall be pre-approved by the Division.*~~

KEY: drinking water, transmission and distribution pipelines, connections, water hauling

Date of Enactment or Last Substantive Amendment: March 8, 2006

Notice of Continuation: March 22, 2010

Authorizing, and Implemented or Interpreted Law: 19-4-104

~~1-dar-~~

Agenda Item 11

**DRINKING WATER BOARD
BOARD PACKET FOR DE-AUTHORIZATION**

APPLICANT'S REQUEST

On September 6, 2012, Axtell Community Special Service District (Axtell SSD) was authorized a \$153,700 construction loan at 2.71% interest for 20 years with \$30,700 in principal forgiveness to stabilize their transmission line and install fire hydrants. They have decided that they are not able to assume any additional debt and do not wish to pursue the project (see attached e-mail).

STAFF RECOMMENDATION:

The Drinking Water Board de-authorize the \$153,700 construction loan to Axtell SSD at 2.71% interest for 20 years with \$30,700 in principal forgiveness.



Julie Cobleigh <jcobleigh@utah.gov>

RE: Axtell

1 message

Eric Franson <EFranson@fransoncivil.com>

Mon, Feb 17, 2014 at 3:43 PM

To: Julie Cobleigh <jcobleigh@utah.gov>

Julie,

Axtell SSD had decided that they were not able to assume any additional debt and were not going to pursue the project. I apologize if that decision was not communicated earlier. I thought we had notified the Division of Drinking Water of their intent at that time. I can answer any other questions you may have, but hopefully this response will be sufficient.

Thanks,

Eric Franson, P.E.**Principal**

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From: Julie Cobleigh [mailto:jcobleigh@utah.gov]**Sent:** Wednesday, February 12, 2014 9:13 AM**To:** Eric Franson