

Drinking Water Board Packet

May 12, 2017

Agenda



State of Utah

GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

Department of
Environmental Quality

Alan Matheson
Executive Director

DIVISION OF DRINKING WATER
Marie E. Owens, P.E.
Director

Drinking Water Board
Paul Hansen, P.E., *Chair*
Betty Naylor, *Vice-Chair*
Brett Chynoweth
Tage Flint
Roger G. Fridal
Alan Matheson
David L. Sakrison
David Stevens, Ph.D.
Mark Stevens, M.D.
Marie E. Owens, P.E.
Executive Secretary

DRINKING WATER BOARD MEETING

May 12, 2017 – 1:00 pm
Multi Agency State Office Building
Board Room
195 North 1950 West
Salt Lake City, Utah 84116

Marie Owens' Cell Phone #: (801) 505-1973

1. Call to Order – Chairman Hansen
2. Roll Call
3. Approval of the Minutes:
 - A. March 2, 2017
4. Board Re-appointment Report – Chairman Recognition – Marie Owens
5. Financial Assistance Committee Report
 - A. Status Report – Sandy Pett
 - B. Project Priority List – Julie Cobleigh
 - C. SRF Applications
 - i. STATE:
 - a) North Fork – De-authorization – Rich Peterson
 - ii. FEDERAL:
 - a) Central Iron County WDC – De-authorization – Julie Cobleigh
 - b) Juab County – Lisa Nelson
 - c) Torrey Town – Lisa Nelson
 - d) Koosharem – Rich Peterson
 - e) West Erda – Julie Cobleigh
 - f) Big Plains – Julie Cobleigh
 - g) Community Water – Julie Cobleigh
 - h) Cedarview Montwell – Lisa Nelson
 - iii. Other:
 - a) Plymouth Town – Lisa Nelson

6. Rural Water Association Report – Dale Pierson

7. Directors Report

A. Lead in School Initiative

B. Public Notice Rule Changes

C. Water Use Data Update

D. Sanitary Survey Season

8. Other

9. Next Board Meeting:

Date: Friday, July 14, 2017

Time: 1:00 pm

Place: Multi Agency State Office Building
Board Room

195 North 1950 West

Salt Lake City, Utah 84116

10. Adjourn

In compliance with the American Disabilities Act, individuals with special needs (including auxiliary communicative aids and services) should contact Larene Wyss, Office of Human Resources, at: (801) 297-3828, TDD (801) 903-3978, at least five working days prior to the scheduled meeting.

Agenda Item

3(A)



State of Utah

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DRINKING WATER BOARD MEETING March 2, 2017 – 2:00 pm The Dixie Convention Center - Garden Room 1835 Convention Center Drive St. George, Utah 84790

DRAFT MINUTES

1. Call to Order – Chairman Hansen

Paul Hansen Board chairman called the meeting to order at 2:00 pm, and expressed his appreciation to the Rural Water Association of Utah (RWAU) for allowing the Board to be part of their Annual Conference.

2. Roll Call

Board Members present: Paul Hansen, Betty Naylor, Brett Chynoweth, Tage Flint, Roger Fridal, Brad Johnson, and David Sakrison.

Board Members excused: David Stevens and Mark Stevens.

Division Staff present: Marie Owens, Michael Grange, Rich Peterson, Patti Fauver, Tammy North, Sandy Pett, Lisa Nelson, Heather Bobb, and Marianne Booth.

3. Approval of the Minutes:

A. January 13, 2017

Betty Naylor noted that she had notified Marianne Booth that the following typographical errors needed to be fixed on the January 13, 2017 minutes:

- Page 5, Water Infrastructure Finance and Innovation Act (WIFIA), line 5:
'... funding can only ~~by~~ be 80% of the total project...'
- Brett Chynoweth moved to approve the minutes as amended. Roger Fridal seconded. The motion was carried unanimously by the Board.

4. Financial Assistance Committee Report

A. Status Report – Michael Grange

Michael Grange, Construction Assistance Section Manager with the Division of Drinking Water (DDW, the Division) reported that as of January 31, 2017 there is \$5,748,000 in the State SRF fund and over the course of the next year the Division is expecting \$4.6 million to come into the fund for a total of approximately \$10,414,000 for project allocation. Michael also noted that the State hardship fund is currently -\$219,176.

Michael then reported that currently there is \$25,908,000 in the Federal SRF fund and over the course of the next year the Division is expecting \$18,300,000 to come into the fund for a total of \$44,280,000 for project allocation. Michael noted that the Federal Hardship fund is currently -\$101,000.

In response to questions from the Board, Michael informed them that Cedarpoint Big Plains and Central Iron County Water Conservancy District's projects both have their aquifer and siting studies completed and Division Staff is waiting for final reports to come in. He also noted that West Erda Improvement District has finalized its project, received the necessary public support, is now in the design phase, and should close in April or May.

B. Project Priority List – Michael Grange

Michael Grange proposed that the following projects be added to the project priority list:

- Rocky Ridge Town, with 35.6 points, and a project consisting of a new well, chlorination facility, SCADA system, and a new transmission line.
- Torrey Town, with 24.8 points, and a project consisting of a new water line and replacement water line.
- Cove SSD, with 12.5 points, and a project consisting of a new well, a new 300,000 gallon tank, and water lines.

The Financial Assistance Committee (FAC) recommends that the Board approve the updated project priority list.

- Paul Hansen moved to approve the updated project priority list. David Sakrison seconded. The motion was carried unanimously by the Board.

C. SRF Applications

i. STATE:

a) Tropic Town – Rich Peterson

Brett Chynoweth declared a conflict of interest as he is employed by Tropic Town. He removed himself from the dais and sat in the audience during this portion of the meeting.

Representing Tropic Town was Marv Wilson and Joe Phillips of Sunrise Engineering.

Rich Peterson, Environmental Engineer with the Division, informed the Board that the Town of Tropic (Tropic) is requesting \$70,000 in financial assistance for a new master plan, GIS mapping, and water rights study. He also informed the Board that Tropic is also going to be doing a new reservoir siting study in conjunction with the irrigation company, which would be paid for, in part, by a \$70,000 grant from Water Resources which they have already received, contingent upon the Board's approval for assistance today. The local MAGI for Tropic is \$44,072, which is 102% of the State MAGI, and the estimated water bill is \$22.92, which is 0.62% of the local MAGI, therefore they do not qualify for additional subsidization. The FAC recommends that the Board authorize a \$70,000 planning loan at 0% for 5 years to Tropic Town.

There was discussion between the Board, Division Staff, and those representing Tropic regarding the current and previous reservoir siting, coordination with the irrigation company, the grant from Water Resources, and that the current water bill is already more than the estimated after project water bill. There was also discussion regarding the site, size, and private or recreational use of the reservoir.

- Tage Flint moved to authorize a \$70,000 planning loan at 0% interest for 5 years to Tropic Town. David Sakrison seconded. The motion was carried unanimously by the Board.

After the motion was passed Brett Chynoweth rejoined the other Board members on the dais.

ii. FEDERAL:

a) Rocky Ridge – Rich Peterson

Representing Rocky Ridge was Casey Reynolds, Assistant Manager, Jeremy Allred, water operator, Terry Albrecht, water operator, and Eric Franson of Franson Civil Engineers.

Rich Peterson informed the Board that Rocky Ridge is requesting \$1,011,000 in financial assistance for a new well and transmission line. The local MAGI for Rocky Ridge is \$31,326, which is 73% of the State MAGI, and the estimated water bill is \$84.99, which is 3.26% of the local MAGI, therefore they do qualify for additional subsidization. The FAC recommends that the Board authorize \$1,011,000 in financial assistance at 2.49% interest or fee per annum for 30 years with \$405,000 in principal forgiveness to Rocky Ridge.

It was noted that in the packet the interest rate was incorrectly listed as 2.0% on one page, but the calculations were all completed using 2.49%.

- Brett Chynoweth moved to authorize \$1,011,000 in financial assistance at 2.49% interest or fee per annum for 30 years with \$405,000 in principal forgiveness to Rocky Ridge. Roger Fridal seconded. The motion was carried unanimously by the Board.

b) Torrey Town – Lisa Nelson

Representing Torrey Town (Torrey) was Doug Robinson, Town Council Member, Dustin Oyler, water operator, and Kelly Crane of Ensign Engineering.

Lisa Nelson, Environmental Engineer with the Division, informed the Board that Torrey originally was requesting \$1.7 million to fund upgrades and repairs to their spring transmission line, install pipe within the town to loop the system, and to replace their gas chlorinator with a tablet feeder chlorinator, however earlier today they met with Lisa and would like to revise their request to add an additional \$152,000 in order to consolidate prior funding from the Board. Lisa noted that as Torrey had contacted her earlier in the day, she had been able to rerun the calculations. Lisa also noted that Torrey is contributing \$15,000 and they intend to request an additional \$510,000 from the Community Impact Board (CIB) for funding of this project. Based on the original request, the local MAGI for Torrey Town is \$28,029, which is 65% of the State MAGI, and the estimated water bill is \$35, which is 1.5% of the local MAGI, therefore they do qualify for additional subsidization. Lisa noted that the additional amount requested had no real impact on these numbers and based on the new calculations; Division Staff recommends that the Board authorize \$1.852 million in financial assistance at 0.75% interest or fee per annum for 30 years to Torrey Town.

There was discussion between the Board, Division Staff, and those representing Torrey regarding the influx of tourism in the town, current source water location and capture, the scope of the project to include exploration of an additional source, and water rights.

- Paul Hansen moved to authorize \$1,852,000 in financial assistance at 0.75% interest or fee per annum for 30 years to Torrey Town. Tage Flint seconded. The motion was carried unanimously by the Board.

c) Cove SSD – Lisa Nelson

Representing Cove SSD (Cove) was Randell Obray, President of Cove SSD, Morgan White, Board member and water operator, and Kelly Crane of Ensign Engineering.

Lisa Nelson informed the Board that Cove is requesting \$1,085,000 in financial assistance to upgrade and repair their existing well, construct a 300,000 gallon tank, and install 1,000 feet of transmission line and 16,000 feet of distribution line. She also noted that Cove is contributing \$16,000 and plans to request a \$510,000 grant from CIB for additional funding for this project. The local MAGI for Cove is \$30,606, which is 71% of the State MAGI, and the estimated water bill is \$17, which is 0.67% of the local MAGI, therefore they do qualify for additional subsidization. The FAC recommends the Board authorize \$1,085,000 in financial assistance at 0% interest for 30 years with \$485,000 in principal forgiveness to Cove SSD.

There was discussion between the Board, Division Staff, and those representing Cove regarding the increase in their water bill and pipe sizing.

- Roger Fridal moved to authorize \$1,085,000 in financial assistance at 0% interest for 30 years to Cove SSD with \$485,000 in principal forgiveness. David Sakrison seconded. The motion was carried unanimously by the Board.

iii. Other:

a) Hanksville – Michael Grange

As an informational item, Michael Grange reminded the Board that Hanksville was authorized funding in 2016, however due to issues with their tank and well, they have contacted the Division to begin a request for additional funding. Michael informed the Board that depending on the timing it could be as soon as the end of March, beginning of April, and asked if the Board would be amenable to an emergency teleconference. The Board agreed to hold a teleconference at a future date.

Cedarview Montwell

As an informational item, and in response to questions from the Board, Michael Grange informed them that after being tabled at the last Board meeting, Cedarview Montwell is still reworking their request.

Intended Use Plan (IUP)

Michael Grange reported on the completed 2017 Intended Use Plan which outlines exactly how the Division plans to use the capitalization grant funding from EPA. Michael expressed his appreciation of Sandy Pett and her work on the IUP.

5. Revised Total Coliform Rule – First Year Report – Patti Fauver & Colt Smith

Patti Fauver, Environmental Program Manager with the Division, reported on the first year results of the Revised Total Coliform Rule (RTCR) implementation. She gave them background on the changes and the differences between level 1 and level 2 assessments for water systems.

She then reported that since implementation there have been:

- 102 level 1 assessments, with 62% of those being on systems that had previously only monitored quarterly
- 40 level 2 assessments, with 70% of those being on systems that had previously only monitored quarterly
- 283 seasonal startup reports were submitted electronically

Patti then informed the Board that due to the increase, the RTCR manager is putting together a level 2 assessment manual for Division Staff and local health department staff to utilize. She also reported that in response to 43% of systems reporting that they use bleach for internal disinfection, Division Staff is working on additional training in that area.

6. Authorization – Adoption of Rule Amendment

A. R309-535-5, Misc. Treatment Methods: Fluoridation – Tammy North

Tammy North, Environmental Engineer with the Division, explained that in August 2016 Division Staff was authorized to begin the rulemaking process on R309-535-5. Since that time it went through a public comment period, had substantial changes made in response to

comments, came back before the Board in November and was authorized and sent out for a second public comment period. During the second public comment period no comments were received. Division staff recommends that the Board adopt the change in proposed rule for R309-535-5 and authorize them to make the rule change effective on or after March 7, 2017.

There was discussion between the Board and Tammy with regards to this rule only affecting those water systems that choose to fluoridate their water supply.

- Tage Flint moved to authorize Division Staff to adopt the change in proposed rule for R309-535-5 and authorize them to make the rule change effective on or after March 7, 2017. Betty Naylor seconded. The motion was carried unanimously by the Board.

7. DDW After-the-Fact Review Policy Update – Tammy North

As an informational item, Tammy North reported that the DDW After-the-Fact Review Policy for internal use by staff was completed. In response to questions from the last meeting, she informed the Board that the rule regarding deficiency points state from 50 to 200, so the number of points would depend on the severity of the violation.

8. Rural Water Association Report – Dale Pierson

Dale Pierson, Executive Director of the Rural Water Association of Utah, expressed his appreciation to the Board for their participation in the RWAU Annual Conference. He also noted that Dr. Peter Gravatt, Administrator of the EPA Office of Groundwater was in attendance all week. He then reported that there were approximately 2,000 attendees this year.

Dale went on to report that the Town of Randolph won for best tasting water in Utah and that Marie Owens took part in the taste testing.

Dale then reported that with the Board grant for energy efficient equipment, RWAU purchased a digital water leak detector and a video camera to view water lines, has assisted several cities and towns throughout the State, and has plans to assist several more. He also reported that there is still a small amount of the grant left and there has been discussion to use it to purchase a drone, which would assist with hard to reach water line assessments easements.

9. Directors Report

A. “Lowest IPS Points of 2016” Water Systems

Marie Owens, Division Director of DDW, reported that with regards to IPS points, the Division gives points for various reasons, including but not limited to, monitoring violations, NCL violations, and the like. However she also noted that as they fix those things those points are removed, and that in addition to that there are a handful of items where they can get various credits. Marie then announced that the water system with the lowest amount of IPS points in the State this year is Riverton City with -33 and presented the representatives with an award and thanked them for their outstanding work.

After pictures were taken, Marie rejoined the dais, and informed the Board that there were around 480 other water systems in the State who had -30 points and the Division would be sending them thank you letters.

B. DDW Staff involvement at the RWAU Conference

Marie noted that there were 25 Division staff members in attendance at the RWAU Annual Conference, some for the entire conference and others just for 1 day. She then reported to the Board that their activities included:

- 100 meetings with water agencies
- 60 individual meetings regarding RTCR
- 140 individual CCR assistance meetings
- Several DBP assistance meetings
- 122 master report meetings
- Several Source Capacity assistance meetings
- Water operator classes and exams
- Conference presentations

She also informed the Board that Dale Pierson and the RWAU Staff had provided Division staff with consultation rooms and internet service to be able to update and print reports online.

C. The First Six Weeks in Office

Marie explained that on her 2nd day as Division Director she began reporting to Legislature on funding appropriations and that the Division's base budget was passed, however the additional request for the water use study was denied, therefore the Division has reached out and is requesting that water systems voluntarily supply that data in order to respond to the Legislative audit and ensure the protection of public health.

Marie moved on to report that in response to recent flooding she and Division staff had reached out to water systems that were impacted already and those that could potentially be impacted as the season proceeds.

Marie then informed the Board that in Fielding there is a trailer park with its own system and that the Division has, after finding high levels of arsenic and nitrate, issued a "do not use" order.

Marie stated that she plans to meet with the local health departments to renegotiate and redefine contracts and strengthen the Divisions partnership with them.

Marie also reported that the Division will continue to work with other agencies on harmful algal bloom guidance.

Lastly, Marie informed the Board that the Division is the first in the Nation to go live with Compliance Monitoring Data Portal (CMDP), which is software, that EPA has been developing which will allow water systems to provide their compliance data electronically and will allow the State to be more efficient in dealing with compliance and technical assistance.

10. Other

11. Next Board Meeting:

Paul Hansen noted that the time listed for the next Board meeting was 2:00 pm when it is normally 1:00 pm and with approval from the other Board members requested it be changed.

Date: Friday, May 12, 2017
Time: 1:00 pm
Place: Multi Agency State Office Building
Board Room
195 North 1950 West
Salt Lake City, Utah 84116

12. Adjourn

- Paul Hansen moved to adjourn the meeting. The motion was carried unanimously by the Board.

The meeting adjourned at 3:34 pm.

Agenda Item

5(A)

DIVISION OF DRINKING WATER
STATE LOAN FUNDS
AS OF April 30, 2017

SUMMARY		
	Total State Fund:	\$10,631,671
	Total State Hardship Fund:	\$531,391
	Subtotal:	\$11,163,062
LESS AUTHORIZED	Less:	
	Authorized Loans & Closed loans in construction:	\$4,445,000
	Authorized Hardship:	\$655,600
	Subtotal:	\$5,100,600
	Total available after Authorized deducted	\$6,062,462
PROPOSED	Proposed Loan Project(s):	-\$2,199,000
	Proposed Hardship Project(s):	\$0
	Subtotal:	-\$2,199,000
AS OF:		
April 30, 2017	TOTAL REMAINING STATE LOAN FUNDS:	\$8,385,671
	TOTAL REMAINING STATE HARDSHIP FUNDS:	(\$124,209)

(see Page 2 for details)

(see Page 2 for details)

Total Balance of ALL Funds: \$8,261,462

Projected Receipts Next Twelve Months: and Sales Tax Revenue	
Annual Maximum Sales Tax Projection	\$3,587,500
Less State Match for 2017 Federal Grant	(\$1,734,800)
Less Appropriation to DDW	(\$800,000)
Less Wtr Use Study Appropriation	(\$125,000)
Less Administration Fees	(\$153,700)
SUBTOTAL Sales Tax Revenue including adjustments:	\$774,000
Payment:	
Interest on Investments (Both Loan and Hardship Accounts)	\$132,000
Principal payments	\$2,798,753
Interest payments	\$743,526
Total Projections:	\$4,448,279

Receive 80% in January

Total Estimated State SRF Funds Available through 4-30-2018	\$12,709,741
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**DIVISION OF DRINKING WATER
STATE LOAN FUNDS
PROJECTS AUTHORIZED BUT NOT YET CLOSED
AS OF April 30, 2017**

Community	Loan #	Cost Estimate	Date Authorized	Date Closed/Anticipated	Authorized Funding		
					Loan	Grant	Total
Sterling City 2.52% int, 20 yrs	3S239	300,000	May-16		258,000		258,000
Cedar Point/Big Plains 0%, 20yrs	3S240	176,000	Jul-16		88,000	88,000	176,000
North Fork SSD 2% int 20 yrs (LOF)	3S243	2,397,000	Mar-16		2,199,000		2,199,000
Eagle Mountain 1.4% int 20 yrs (LOF)	3S244	2,300,000	Nov-16		1,800,000		1,800,000
Subtotal Loans and Grants Authorized					4,345,000	88,000	4,433,000
PLANNING LOANS / GRANTS IN PROCESS							
Eagle Mountain	3S228P	30,000	Aug-15		30,000		30,000
LaVerkin City	3S223P	40,000	Jun-15	Jun-15		19,955	19,955
Parowan	3S227P	40,000	Jul-15	Sep-15		40,000	40,000
Springdale	3S214P	40,000	Jan-15	Mar-15		22,645	22,645
Weber County General	3S225P	40,000	Jun-15	Sep-15		20,000	20,000
Tropic Town 0% for 5 yrs master plan	3S246P	70,000	Mar-17	May-17	70,000		
					100,000	102,600	132,600
CLOSED LOANS (partially disbursed)							
Daggett Co - Dutch John 0% int 30 yrs	3S216	1,020,000	Jan-15	Feb-16	0	120,000	120,000
Henrieville	3S241	345,000	Aug-16	Nov-16		345,000	345,000
							0
							0
Subtotal Planning Loans/Grants Auth					0	465,000	465,000
Total authorized or closed but not yet funded					\$4,445,000	\$655,600	\$5,030,600
PROPOSED PROJECTS for MAY 2017							
North Fork SSD 2% int 20 yrs (LOF)	3S243	2,397,000	Mar-16	deauthorization	(2,199,000)		(2,199,000)
							0
							0
Total Proposed Projects					(2,199,000)	0	(2,199,000)

**DIVISION OF DRINKING WATER
STATE LOAN FUNDS
AS OF April 30, 2017**

	5235	5240	
	Loan	Interest	
	Funds	(use for Grants)	Total
Cash:	\$10,631,671	\$531,391	\$11,163,062
Less:			
Loans & Grants authorized but not yet closed (schedule attached)	(4,445,000)	(190,600)	(4,635,600)
Loans & Grants closed but not fully disbursed (schedule attached)	0	(465,000)	(465,000)
Proposed loans & grants	2,199,000	0	2,199,000
Administrative quarterly charge for entire year	(153,700)		(153,700)
Appropriation to DDW	(800,000)		(800,000)
Appropriation to DDW - Wtr Use Study	(125,000)		(125,000)
FY 2017 Federal SRF 20% match of \$???	(1,734,800)		(1,734,800)
	5,572,171	(124,209)	5,447,962
Projected repayments during the next twelve months			
Thru 04-30-2018			
Principal	2,798,753		2,798,753
Interest		743,526	743,526
Projected annual investment earnings on invested cash balance		132,000	132,000
Sales Tax allocation thru Apr-30-2018	3,587,500		3,587,500
Total	\$11,958,424	\$751,317	\$12,709,741
* All interest is added to the Hardship Fee account.			

**DIVISION OF DRINKING WATER
FEDERAL SRF
AS OF April 30, 2017**

FIRST ROUND FUND		FEDERAL SECOND ROUND FUND		Hardship Fund
1997 thru 2016 SRF Grants		Principal Repayments	Earnings on Invested Cash Balance	Total:
Net Federal SRF Grants:	\$157,144,401	Principal (P):	\$48,767,209	\$1,174,897
Total State Matches:	\$35,108,900	Interest (I):	\$13,702,301	
Closed Loans:	-\$188,948,741	Total P & I:	\$62,469,510	
Total Grant Dollars:	\$3,304,560			\$627,154

SUMMARY		
	Total Federal State Revolving Fund:	\$66,948,967
	Total Federal Hardship Fund:	\$627,154
	Subtotal:	\$67,576,121
LESS AUTHORIZED & PARTIALLY DISBURSED	Less:	
	Authorized & Partially Disbursed Closed Loans:	\$39,951,375
	Authorized Federal Hardship:	\$674,126
	Subtotal:	\$40,625,501
PROPOSED	Proposed Federal Project(s):	\$4,224,125
	Proposed Federal Hardship Project(s):	-\$100,000
	Subtotal:	\$4,124,125
AS OF:	TOTAL REMAINING LOAN FUNDS:	\$22,773,467
April 30, 2017	TOTAL REMAINING HARDSHIP FUNDS:	\$53,028

Total Balance of ALL Funds after deducting proposed actions: \$22,826,495

Projected Receipts thru May 1, 2018	
2017 Fed SRF Grant	\$6,000,000
2017 State Match	\$1,734,800
Interest on Investments	\$715,200
Principal Payments	\$6,618,246
Interest	\$1,375,073
Hardship & Technical Assistance fees	\$325,671
Total:	\$16,768,990

} Receive 60% in January

Total Estimated Federal SRF Funds Available through: 05/01/2018 **\$39,595,484**

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

**PROJECTS AUTHORIZED BUT NOT YET CLOSED
AS OF April 30, 2017**

COMMUNITY	Project			Authorized Date	Closing Date Scheduled	Authorized From Loan Funds (1st or 2nd Round)			Hardship Fund
	Total Project	Terms	Loan #			Loan	Forgiveness	Total	
West Erda Improvement District	1,622,600	0% int, 30 yr	3F233	Nov-14	Jul-17	811,000	811,600	1,622,600	
Juab County	27,210,000	2.5% int/hgf, 30 yrs	3F259	Mar-16		21,210,000		21,210,000	
Corinne City	561,000	2.85% int/hgf, 20 yrs	3F266	May-16	Jun-17	442,000	113,500	555,500	
Springdale	5,654,000	1.25% int/hgf, 30 yrs	3F264	May-16	Aug-17	3,856,000	1,652,350	5,508,350	
Virgin Town	1,120,000	0% int, 30 yrs	3F272	Jul-16		1,120,000		1,120,000	
Iron Town Property Owners Assn	474,000	0% int, 30 yrs	3F271	Jul-16	May-17	379,000	95,000	474,000	
Glen Canyon SSD #1/Big Water	1,288,000	2.45% int/hgf, 30 yrs	3F270	Jul-16		1,052,000	176,000	1,228,000	
San Juan Spanish Valley SSD	5,100,000	0% int, 30yrs (combined w/CIB)	3F275	Aug-16		1,785,000	765,000	2,550,000	
Bridge Hollow Water Assoc	225,000	1.0% int, 30 yrs	3F280	Nov-16	Jun-17	158,000	67,000	225,000	
Hanksville Town	601,548	0% int, 30 yrs	3F279	Nov-16		421,000	180,548	601,548	
Monticello	39,000	Eng study 10 yr 0% int	3F281P	Nov-16		39,000		39,000	
Cove SSD	1,085,000	0% int, 30 yrs	3F285	Mar-17		600,000	485,000	1,085,000	
Rocky Ridge Town	1,011,000	2.45% int/hgf, 30 yrs	3F286	Mar-17		606,000	405,000	1,011,000	
Torrey Town	1,700,000	.75% int/hgf, 30 yrs	3F287	Mar-17		1,700,000		1,700,000	
Central Iron County WCD	100,000	0.0% 5 yrs \$50,000 PF Aquafer study hg	3F230	Nov-14				0	100,000
Greenwich Water Company	130,000	65K loan at 0%, 30 yrs/ 65K pf hg	3F258	Mar-16				0	65,000
TOTAL CONSTRUCTION AUTHORIZED:						\$ 34,179,000	\$ 4,750,998	\$ 38,929,998	\$ 165,000
COMMITTED ADVANCES / AGREEMENTS or PARTIALLY DISBURSED CLOSED 2ND ROUND AGREEMENTS:									
					Date Closed				
								0	0
Rural Water Assn of Utah	124,758	5 yr contract for Development Specialist	Ongoing	Nov-12	Jan-13			0	147,626
Bluffdale City	40,000	pl 100% pf hg	3F242P	Sep-15	Nov-15			0	40,000
Elsinore Town	45,000	pl 100% pf hg	3F243P	Nov-15	Jun-16			0	6,500
Greenwich Water Company	130,000	65K loan at 0%, 30 yrs/ 65K pf hg	3F258	Mar-16	Jun-16			0	65,000
Water Use Study	1,000,000	Legislature Appropriated for FY 2017	n/a	Mar-16	Jul-16			0	250,000
Lynndyl Town Water System	40,000	100% pf master plan	3F284P	Jan-17	Feb-17		40,000	40,000	0
Hidden Creek Water Co	20,000	100% pf eng study	3F288P	Mar-17	Mar-17		20,000	20,000	
Forest Glen Plat A HOA	1,438,986	0% int, 30 yrs	3F222	Feb-14	Dec-14	114,000	55,986	169,986	
Taylor West Weber Water Improvement Dis	7,636,391	2.26% int, 30 yr	3F234	Feb-15	Apr-15	629,000	162,391	791,391	
TOTAL PLANNING AUTHORIZED:						\$743,000	\$278,377	\$1,021,377	\$509,126
TOTAL CONSTRUCTION & PLANNING:								\$39,951,375	\$674,126
AVAILABLE PROJECT FUNDS:									\$26,997,592
AVAILABLE HARDSHIP FUNDS:									-\$46,972
PROPOSED PROJECTS FOR MAY 2017:									
								0	
Community Water Company	3,343,000	3.39% int/hgf, 20 yrs	3F291			3,662,000		3,662,000	
Big Plains SW SSD - Cedar Point	517,125	1% int/hgf, 30 yrs	3F290			362,000	155,125	517,125	
Koosharem	45,000	2.09% int	3F289			45,000		45,000	
Central Iron County WCD	100,000	0.0% 5 yrs \$50,000 PF Aquafer study hg	3F230	Nov-14	deauthorization			0	(100,000)
TOTAL PROPOSED PROJECTS FOR THIS MEETING:						\$4,069,000	\$155,125	\$4,224,125	-\$100,000
*RWau hardship grant is being disbursed monthly									
TOTAL FUNDS AFTER PROPOSED PROJECTS ARE FUNDED:									\$22,773,467
TOTAL FUNDS AFTER PROPOSED HS PROJECTS ARE FUNDED:									\$53,028
NOTES OF LOAN CLOSINGS SINCE LAST BOARD MEETING:									
								0	
Total Recent Loan Closings						\$0	\$0	\$0	\$0

DIVISION OF DRINKING WATER
FEDERAL SRF LOAN FUNDS
AS OF April 30, 2017

	Loan Funds 1st Round	Loan Payments			TOTAL
		2nd Round		Hardship Fund	
		Principal	Interest		
Federal Capitalization Grants and State 20% match thru 2015	\$192,253,301				
Earnings on Invested 1st Round Funds			1,174,897		
Repayments (including interest earnings on 2nd round receipts)		48,767,209	13,702,301	627,154	256,524,862
Less:					
Closed loans and grants	-188,948,741				-188,948,741
SUBTOTAL of Funds Available	\$3,304,560	\$48,767,209	\$14,877,198	\$627,154	\$67,576,121
Loans & Grants authorized but not yet closed or fully disbursed	-36,149,998	-3,523,000	-278,377	-674,126	-40,625,501
SUBTOTAL of Funds Available less Authorized	-\$32,845,438	\$45,244,209	\$14,598,821	-\$46,972	\$26,950,620
Future Estimates:					
Proposed Loans/Grants for current board package	-4,224,125			100,000	-4,124,125
SUBTOTAL of Funds Available less Proposed Loans & Grants	-\$37,069,563	\$45,244,209	\$14,598,821	\$53,028	\$22,826,495
PROJECTIONS THRU May-2018					
	0				
2017 SRF Capitalization Grant (Loan Portion)	6,000,000				
2017 SRF Capitalization State Match	1,734,800				
Projected repayments & revenue during the next twelve months		6,618,246	1,375,073	325,671	8,318,990
Projected annual investment earnings on invested cash balance		660,000	36,000	19,200	715,200
TOTAL	-\$29,334,763	\$52,522,455	\$16,009,894	\$397,899	\$39,595,484

Agenda Item 5(B)

**DRINKING WATER BOARD
PACKET FOR PROJECT PRIORITY LIST**

There are three new projects being added to the Project Priority List:

Community Water Company is being added to the Project Priority List with 24.1 points. Their project consists of a waterline replacement and treatment plant upgrades.

Koosharem Town is being added to the Project Priority List with 8.7 points. Their project consists of a tank liner.

Big Plains Water and Sewer is being added to the Project Priority List. Their project consists of purchasing the Canaan Spring Water Company. As there is no construction, there is not a point value to add to this project.

FINANCIAL ASSISTNACE COMMITTEE RECOMMENDATION:

The Drinking Water Board approve the updated Project Priority List.

March 31, 2017

Utah Federal SRF Program

Project Priority List

Authorized

Total Unmet Needs:

\$224,388,876

Total Needs, incl. Recent funding

\$269,372,731

\$266,018,723

	date	type	%Green	Priority Points	System Name	County	Pop.	ProjectTitle	Project Total	Request DWB	Funds Authorized
N				28.9	Woodland Mutual	Summit	186	Spring redevelopment, new tank, water lines	\$2,940,000	\$2,915,000	
N				24.1	Community Water Company	Summit	505	Water line replacement, treatment plant upgrades	\$3,343,000	\$3,343,000	
N				8.7	Koosharem Town	Sevier	334	Tank Liner	\$89,684	\$42,000	
N				8.1	Thatcher Penrose SD	Box Elder	580	Water line replacement	\$129,400	\$110,000	
N				N/A	Big Plains Water and Sewer SSD	Washington	720	Regionalization- purchase Canaan Springs Water Co.	\$502,125	\$502,125	
A				82.6	West Erda	Tooele	158	Connect West Erda and Tooele Airport to Erda Acres	\$1,801,331.00	\$1,801,331	\$1,622,600
A				72.3	Springdale	Washington	572	Treatment Plant	\$4,730,000	\$4,600,000	\$5,508,350
A				43.3	Old Irontown POA	Iron	90	New 300,000-gallon tank and transmission line	\$478,788	\$478,788	\$474,000
A				41.4	Virgin Town	Washington	750	New 500,000-gallon tank and transmission line	\$1,131,313	\$1,131,313	\$1,120,000
A				35.6	Rocky Ridge Town	Juab	790	New well, chlorination, SCADA, transmission line	\$1,011,061	\$1,011,061	\$1,011,000
A				28.7	Lizard Bench	Sevier	63	Water line, well house upgrades, chlorination, tank liner	\$56,000	\$28,000	\$28,000
A				27	Bridge Hollow	Summit	45	New Well	\$225,000	\$225,000	\$225,000
A				26.3	Hanksville	Wayne	210	Water Line Replacement	\$601,548	\$601,548	\$601,548
A				25.5	Fillmore City	Millard	2,260	Water Line Replacement	\$2,555,556	\$2,555,556	\$2,152,000
A				25.3	San Juan Spanish Valley SSD	San Juan	491	New System: tank, well, distribution	\$5,125,758	\$2,575,758	\$2,550,000
A				24.8	Torrey Town	Wayne	500	New water line and replacement	\$2,230,000	\$1,852,000	\$1,852,000
A				20.6	Corinne City	Box Elder	700	Radium Filter, Spring Rehab, Transmission Line	\$561,111	\$561,111	\$555,500
A				18.5	Glen Canyon/ Big Water Town	Kane	480	Tank rehab, radio read meters, water lines, refinance	\$1,228,000	\$1,228,000	\$1,228,000
A				18.3	Greenwich	Piute	67	Chlorination building	\$131,300	\$131,300	\$131,000
A				12.5	Cove SSD	Sevier	100	New well, storage tank and water lines	\$1,611,000	\$1,085,000	\$1,085,000
A				9.7	Juab Co	Juab	???	Regionalization pipeline	\$24,000,000	\$21,000,000	\$21,210,000
A				7.9	Echo Mutual Water System	Summit	50	Spring box modifications	\$35,857	\$35,857	\$35,857
A				4.8	Liberty Pipeline Company	Weber	2,504	New Well	\$743,954	\$698,647	\$699,000

N = New Application

A = Authorized

P = Potential Project- no application

E= Energy Efficiency

W= Water Efficiency

G= Green Infrastructure

I= Environmentally Innovative

Utah Federal SRF Program

Project Priority List

March 31, 2017

Priority Points

Authorized

Total Unmet Needs: \$224,388,876 Total Needs, incl. Recent funding \$269,372,731 \$266,018,723

date	type	%Green	System Name	County	Pop.	ProjectTitle	Project Total	Request DWB	Funds Authorized
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GREEN PROJECTS

EMERGENCY FUNDING

A			100	Winchester Hills	Washington	950	New Well	\$624,030.00	\$427,000	
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POTENTIAL PROJECTS

P			125.2	Soldier Summit SSD-2nd home sub	Utah	33	Water line upgrade	\$530,303	\$530,303	
P			36.4	Santa Clara (on hold)	Washington	8,000	Water line 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	Water line 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	Water line	\$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, water line 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		
P			15.1	Syracuse	Davis	25,200	Water line 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, water line	\$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	Water line upgrades	\$692,026		
P			13.5	Riverdale	Weber	8,200	New well and tank, water line 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 water lines	\$3,600,000		
P			12.6	Enterprise	Washington	1,500	New tank, upgrade water lines	\$1,917,100		

March 31, 2017

Utah Federal SRF Program

Project Priority List

Authorized

Total Unmet Needs:

\$224,388,876

Total Needs, incl. Recent funding

\$269,372,731

\$266,018,723

	date	type	%Green	Priority Points	System Name	County	Pop.	ProjectTitle	Project Total	Request DWB	Funds Authorized
P				12.6	Price River	Carbon	7,659	New tank, water lines, treatment	\$2,750,000		
P				11.6	Manila Culinary Water Co.	Utah	2,450	Treatment and water line 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		
A				11.4	Eagle Mountain	Utah	25,593	New water line and pump station	\$3,395,763	\$2,895,763	\$2,895,000
P				11.4	North Ogden City	Weber	15,000	Water line upgrades	\$746,000	\$746,000	
P				11.3	Farmington	Davis	15,000	New well, new tank, water line replacement	\$2,830,000		
P				10.7	Ogden City	Weber	77,000	Source rehabilitation, treatment plant upgrades	\$26,500,000		
P				10.7	High Valley Water Company	Summit	850	Water line 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, water line 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	Water line replacement and new tank	\$5,047,899		
P				7.6	Harmony Farms Water User Assoc.	Washington	300	Water line Replacement	\$3,000		
P				6.8	Hooper Water Improvement District	Weber	16,520	Storage, water lines, treatment	\$2,887,000		
P				6.7	Centerville City	Davis	16,000	Replacement well, water line 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	Water line	\$180,000		
P				3.4	Highland City	Utah	15,066	New well houses	\$650,000		

Agenda Item

5(C)(i)(a)

**DRINKING WATER BOARD
BOARD PACKET FOR CONSTRUCTION LOAN**

APPLICANT'S REQUEST:

On March 3, 2016, the Board authorized North Fork SSD a loan of \$2,199,000 with an interest rate of 2.0% for 20 years to construct a new well and new tank. The system has requested that this funding be de-authorized. An e-mail from the Public Works Director is attached.

FINANCIAL ASSISTANCE COMMITTEE RECOMMENDATION:

The Drinking Water Board de-authorize the \$2,199,000 construction loan to North Fork Special Service District.



Rich Peterson <richpeterson@utah.gov>

North Fork SSD Loan #3F260

1 message

Stephen Miche <stephen@nfssd.org>
To: "richpeterson@utah.gov" <richpeterson@utah.gov>
Cc: Candace Strong <admin@nfssd.org>

Tue, Apr 11, 2017 at 1:56 PM

Hello,

I apologize for the delay in my response. We will not need funding from the drinking water board as we have secured funding elsewhere. Thank you for your patience.

Sincerely,

Stephen Miché
Public Work Director
North Fork Special Service District

Agenda Item

5(C)(ii)(a)

**DRINKING WATER BOARD
BOARD PACKET FOR AQUIFER BALANCE STUDY
DE-AUTHORIZATION**

STAFF COMMENTS:

On November 7, 2014, the Drinking Water Board authorized a planning advance of \$100,000.00 with \$50,000.00 in principal forgiveness to Central Iron County Water Conservancy District to fund an aquifer balance study.

On April 13, 2017, staff received an e-mail stating that the priorities have changed for Central Iron County Water Conservancy District and they are not able to use the funding at this time.

As this e-mail was received after the Financial Assistance Committee conference call, it has not gone before the committee. Therefore, this is a staff recommendation to de-authorize the funds to Central Iron County.

STAFF RECOMMENDATION:

The Drinking Water Board de-authorize a \$100,000 planning loan at 0% interest for 5 years with \$50,000 in principal forgiveness to Central Iron County Water Conservancy District.



Heather Bobb <hbobb@utah.gov>

Re: Federal SRF Loan #3F230, System #11085 aquifer balance study

1 message

Michael Grange <mgrange@utah.gov>

Thu, Apr 13, 2017 at 9:45 AM



Mr. Monroe,

Thank you for notifying the Board of your decision.

Should you need assistance for future drinking water system projects please do not hesitate to contact DDW.

Regards,
Michael

Michael J. Grange, P.E. | Construction Assistance Section Manager

801.536.0069 (office) | 801.536.4211 (fax)



195 North 1950 West, Salt Lake City, UT 84116

Emails to and from this email address may be considered public records and thus subject to Utah GRAMA requirements.

On Thu, Apr 13, 2017 at 9:37 AM, Paul Monroe [REDACTED] wrote:

Michael,

Currently the Central Iron County Water Conservancy District does not have a definite timeline to proceed with the aquifer balance study and utilize the planning advance of \$100,000 with \$50,000 principal forgiveness for the system referenced above. Rather we have been focusing on artificial recharge and other development projects. We would, however like to thank the Drinking Water Board for your consideration and your willingness to help our valley. This study is regarded as needed in our valley but other opportunities and necessities have changed our priorities. Please pass on the message to the board with our appreciation.

Best regards,

Paul Monroe
General Manager
Central Iron County Water Conservancy District
435-865-9901



Agenda Item

5(C)(ii)(b)

DRINKING WATER BOARD
BOARD PACKET FOR CONSTRUCTION LOAN

APPLICANT'S REQUEST

Juab County is requesting that the Drinking Water Board extend the funding authorization for an additional year to give them time to revise their strategy and develop alternatives to meet their water supply needs.

STAFF COMMENTS:

The Drinking Water Board (Board) authorized funding for Juab County (County) on March 3, 2016 in the amount of \$27,270,000 to construct a wholesale pipeline project. The purpose of this project was to construct a pipeline that would provide the delivery of drinking water to several entities in the county and to be proactive in serving the future drinking water needs within the county.

In the Board's funding authorization letter, dated March 7, 2016, it states that the authorization may be withdrawn if the stated project requirements are not completed by March 3, 2017. However, the project has experienced significant delays and the County is unable to comply with the scheduled requirements by that date.

STAFF RECOMMENDATION:

Staff recommends that the Drinking Water Board extend the original funding authorization to March 3, 2018.

Agenda Item

5(C)(ii)(c)

**DRINKING WATER BOARD
BOARD PACKET FOR CONSTRUCTION LOAN**

APPLICANT'S REQUEST:

The Drinking Water Board authorized funding for Torrey Town on March 2, 2017. Prior to the Board's authorization, Torrey Town asked Staff to revise their funding request to include the refinance of an existing drinking water loan in the amount of \$152,000. The Town wishes to clarify that the "drinking water loan" referenced at the authorization is a loan from the Permanent Community Impact Board (CIB) for drinking water improvements.

STAFF COMMENTS:

The loan from CIB to Torrey Town was executed on January 25, 2005 for an amount of \$270,000 at an interest rate of 2.5% for twenty years. Staff has checked the language of the bond to ensure the original project is eligible for Federal Drinking Water SRF funding. In the bond it states this project was for "*culinary water system improvements, including spring development, replacement of water lines, installation of fire hydrants and installation of associated valves and appurtenances*".

STAFF RECOMMENDATION:

Staff recommends the Drinking Water Board take no action. This is a point of clarification.

Agenda Item

5(C)(ii)(d)

**DRINKING WATER BOARD
BOARD PACKET FOR CONSTRUCTION LOAN
INTRODUCTION TO DRINKING WATER BOARD**

APPLICANT'S REQUEST:

The Town of Koosharem is requesting funding to install a liner on the inside of an existing concrete drinking water storage tank that is leaking. In September 2016, the board authorized a \$40,000 grant to install a liner on their first tank. Their second tank is also in need. Total project cost is estimated to be around \$93,000 and Koosharem is contributing \$42,000 to the project. There is also roughly \$6,000 remaining in escrow from the earlier project.

STAFF COMMENTS:

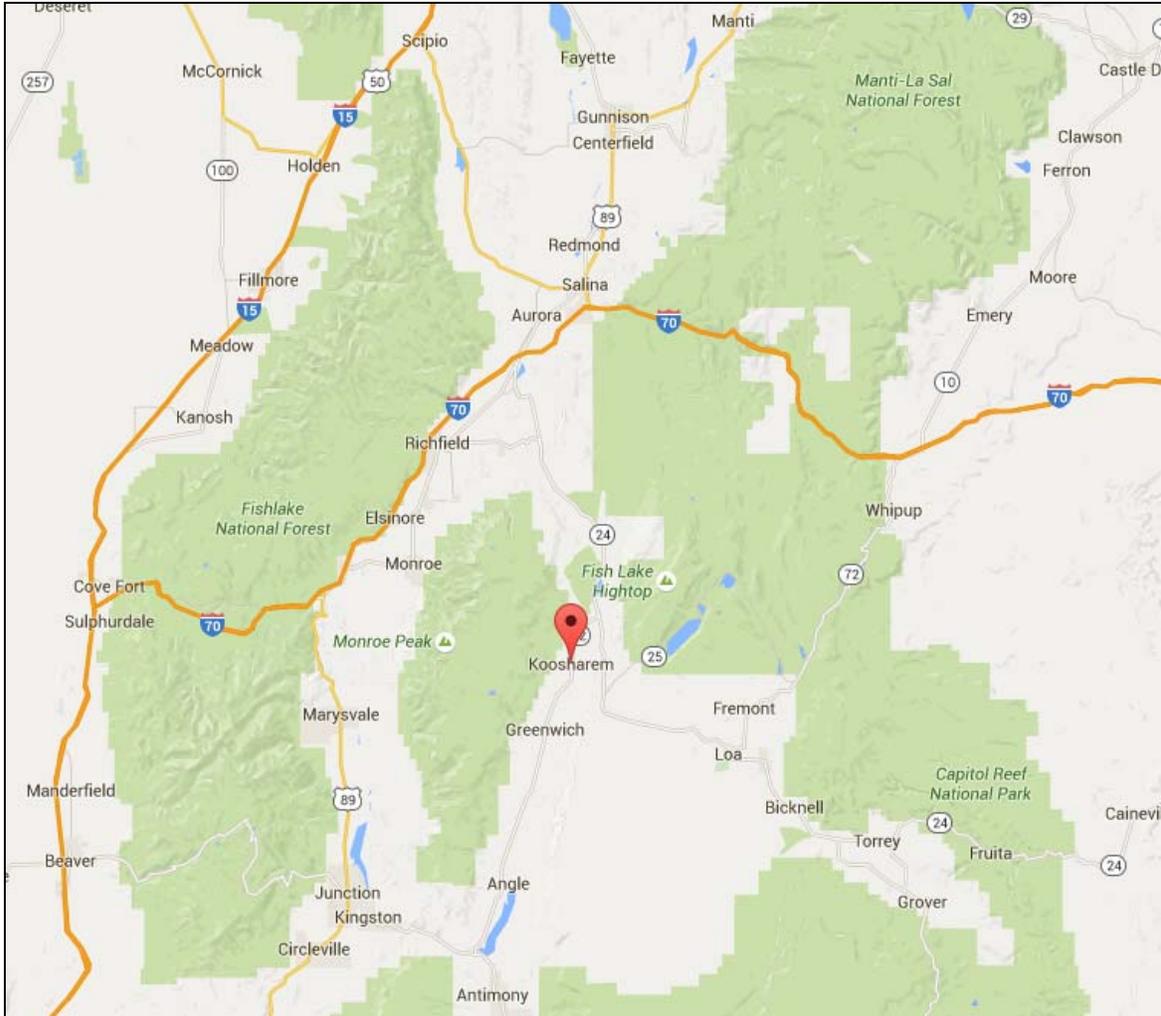
The Median Adjusted Gross Income (MAGI) for Koosharem is \$37,570, which is 87% of the State MAGI of \$43,196. The average water bill for Koosharem is approximately \$21 per month, which is 0.68% of the local MAGI.

FINANCIAL ASSISTANCE COMMITTEE RECOMMENDATION:

The Drinking Water Board authorize a loan of \$45,000 at 2.09% for 20 years to the Town of Koosharem for the installation of a storage tank liner.

APPLICANT'S LOCATION:

Koosharem is located in Sevier County.



PROJECT DESCRIPTION:

Install a liner in Tank #3 (ST003), similar to the work done last year on their Tank #1 that was leaking.

POPULATION GROWTH:

An annual average rate of change of 1% is used in the following population projections.

	<u>Year</u>	<u>Population</u>
Current:	2016	334
Projected:	2036	408

IMPLEMENTATION SCHEDULE:

Apply to DWB for Construction Funds:	Mar 2017
SRF Committee Conference Call:	Apr 2017
DWB Funding Authorization:	May 2017
Complete Design:	May 2017
Plan Approval:	Jun 2017
Advertise for Bids:	Jun 2017
Bid Opening:	Jul 2017
Loan Closing:	Jul 2017
Begin Construction:	Jul 2017
Complete Construction:	Aug 2017
Receive Operating Permit:	Aug 2017

COST ESTIMATE:

Legal – Bonding, Admin	\$3,000
Engineering- Plan, Design, CMS	\$9,000
Construction	\$77,200
Contingency	\$3,064
DDW Admin Fee	<u>\$450</u>
Total Project Cost	\$92,714

COST SHARING:

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 (2.09%, 20-yr)	\$45,000	48%
DWB Escrow balance	Approx.. \$6,000	6%
Self-Contribution	\$42,000	45%
Total Amount	<hr/> \$93,000	100%

APPLICANT:

Koosharem Town
P.O. Box 440199
Koosharem, UT 84744
Telephone: 435-638-7598
Email: koosharemtown@scinternet.net

PRESIDING OFFICIAL &
CONTACT PERSON:

Harlow Brown
Koosharem Mayor
P.O. Box 440199
Koosharem, UT 84744
Telephone: 435-638-7598
Email: hcbrown@color-country.net

TREASURER/RECORDER:

Bryanna Ross
Telephone: 435-638-7598
Email: treas@scinternet.net

CONSULTING ENGINEER:

Lynn Wall, P.E.
Wall Engineering
55 South Main
Fillmore, UT 84631
Telephone: 435-864-7503
Email: wallengineering@frontiernet.net

BOND ATTORNEY

Richard Chamberlain
Chamberlain Associates
225 North 100 East, Richfield, UT 84701
435-896-4461
rchamberlain@gmail.com

DRINKING WATER BOARD FINANCIAL ASSISTANCE EVALUATION

SYSTEM NAME: Koosharem
 COUNTY: Sevier
 PROJECT DESCRIPTION: tank liner

FUNDING SOURCE: Federal SRF

100 % Loan & 0 % P.F.

ESTIMATED POPULATION:	334	NO. OF CONNECTIONS:	200 *	SYSTEM RATING:	APPROVED
CURRENT AVG WATER BILL:	\$21.22 *			PROJECT TOTAL:	\$93,000
CURRENT % OF AGI:	0.68%	FINANCIAL PTS:	57	LOAN AMOUNT:	\$45,000
ESTIMATED MEDIAN AGI:	\$37,570			PRINC. FORGIVE.:	\$0
STATE AGI:	\$43,196			TOTAL REQUEST:	\$45,000
SYSTEM % OF STATE AGI:	87%				

	@ ZERO % RATE 0%	@ RBBI MKT RATE 4.17%		AFTER REPAYMENT PENALTY & POINTS 2.09%
<u>SYSTEM</u>				
ASSUMED LENGTH OF DEBT, YRS:	20	20		20
ASSUMED NET EFFECTIVE INT. RATE:	0.00%	4.17%		2.09%
REQUIRED DEBT SERVICE:	\$2,250.00	\$3,361.21		\$2,776.01
*PARTIAL COVERAGE (15%):	\$0.00	\$0.00		\$0.00
*ADD. COVERAGE AND RESERVE (10%):	\$225.00	\$336.12		\$277.60
ANNUAL NEW DEBT PER CONNECTION:	\$12.38	\$18.49		\$15.27
O & M + FUNDED DEPRECIATION:	\$40,031.00	\$40,031.00		\$40,031.00
OTHER DEBT + COVERAGE:	\$4,500.00	\$4,500.00		\$4,500.00
REPLACEMENT RESERVE ACCOUNT:	\$2,294.05	\$2,349.61		\$2,320.35
ANNUAL EXPENSES PER CONNECTION:	\$234.13	\$234.40		\$234.26
TOTAL SYSTEM EXPENSES	\$49,300.05	\$50,577.95		\$49,904.96
TAX REVENUE:	\$0.00	\$0.00		\$0.00
<u>RESIDENCE</u>				
MONTHLY NEEDED WATER BILL:	\$20.54	\$21.07		\$20.79
% OF ADJUSTED GROSS INCOME:	0.66%	0.67%		0.66%

* Equivalent Residential Connections

R309-700-5

Koosharem
Sevier
March 28, 2017

TABLE 2
FINANCIAL CONSIDERATIONS

	POINTS	
1. COST EFFECTIVENESS RATIO (SELECT ONE)		
A. Project cost \$0 to \$500 per benefitting connection	16	X
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	
	\$465	
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	X
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	
F. Greater than 150% of State Median AGI	0	
	87%	
3. PROJECT FUNDING CONTRIBUTED BY APPLICANT (SELECT ONE)		
a. Greater than 25% of project funds	17	X
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	
e. Less than 2% of project funds	0	
	51.6%	
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	
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	X
	0.66%	
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	
C. Is creating or enhancing a regionalization plan	16	
D. Has a rate structure encouraging conservation	6	X
TOTAL POINTS FOR FINANCIAL NEED	57	
TOTAL POSSIBLE POINTS FOR FINANCIAL NEED	100	

Koosharem

PROPOSED BOND REPAYMENT SCHEDULE

100 % Loan & 0 % P.F.

PRINCIPAL	\$45,000.00	ANTICIPATED CLOSING DATE	15-Jul-17
INTEREST	2.09%	FIRST P&I PAYMENT DUE	15-Jul-18
TERM	20	REVENUE BOND	
NOMIN. PAYMENT	\$2,776.01	PRINC. FORGIVE.:	\$0.00

YEAR	BEGINNING BALANCE	DATE OF PAYMENT	PAYMENT	PRINCIPAL	INTEREST	ENDING BALANCE	PAYM NO.
2017	\$45,000.00		\$0.00 *	\$0.00	\$0.00	\$45,000.00	0
2018	\$45,000.00		\$2,940.50	\$2,000.00	\$940.50	\$43,000.00	1
2019	\$43,000.00		\$2,898.70	\$2,000.00	\$898.70	\$41,000.00	2
2020	\$41,000.00		\$2,856.90	\$2,000.00	\$856.90	\$39,000.00	3
2021	\$39,000.00		\$2,815.10	\$2,000.00	\$815.10	\$37,000.00	4
2022	\$37,000.00		\$2,773.30	\$2,000.00	\$773.30	\$35,000.00	5
2023	\$35,000.00		\$2,731.50	\$2,000.00	\$731.50	\$33,000.00	6
2024	\$33,000.00		\$2,689.70	\$2,000.00	\$689.70	\$31,000.00	7
2025	\$31,000.00		\$2,647.90	\$2,000.00	\$647.90	\$29,000.00	8
2026	\$29,000.00		\$2,606.10	\$2,000.00	\$606.10	\$27,000.00	9
2027	\$27,000.00		\$2,564.30	\$2,000.00	\$564.30	\$25,000.00	10
2028	\$25,000.00		\$2,522.50	\$2,000.00	\$522.50	\$23,000.00	11
2029	\$23,000.00		\$2,480.70	\$2,000.00	\$480.70	\$21,000.00	12
2030	\$21,000.00		\$2,438.90	\$2,000.00	\$438.90	\$19,000.00	13
2031	\$19,000.00		\$2,397.10	\$2,000.00	\$397.10	\$17,000.00	14
2032	\$17,000.00		\$2,355.30	\$2,000.00	\$355.30	\$15,000.00	15
2033	\$15,000.00		\$3,313.50	\$3,000.00	\$313.50	\$12,000.00	16
2034	\$12,000.00		\$3,250.80	\$3,000.00	\$250.80	\$9,000.00	17
2035	\$9,000.00		\$3,188.10	\$3,000.00	\$188.10	\$6,000.00	18
2036	\$6,000.00		\$3,125.40	\$3,000.00	\$125.40	\$3,000.00	19
2037	\$3,000.00		\$3,062.70	\$3,000.00	\$62.70	\$0.00	20
			\$55,659.00	\$45,000.00	\$10,659.00		

*Interest Only Payment

Agenda Item

5(C)(ii)(e)

DRINKING WATER BOARD
BOARD PACKET FOR CONSTRUCTION LOAN
AUTHORIZATION

APPLICANT'S REQUEST:

West Erda Improvement District (WEID) and Stansbury Park Improvement District (SPID) are requesting that SPID be substituted as the borrower and owner of the WEID Improvement project originally authorized to WEID by the Drinking Water Board in 2014. The project involves a regionalized water system, connecting WEID with SPID. They are also requesting an additional \$78,000 in funding to cover an increase in pipe diameter from 12 to 16-inches as well as the additional length of pipe necessary to connect to SPID as compared to connecting to Erda Acres Water Company which was originally presented. The total increase in cost to connect to SPID is expected to be \$301,000, with the balance being funded by SPID, Tooele County and the LDS church which is making a connection to the transmission line.

STAFF COMMENTS:

On November 7, 2014, The Drinking Water Board authorized WEID a loan of \$1,478,600 at 0% interest for 30 years with \$739,600 in principal forgiveness to fund a project to connect WEID to Erda Acres and upgrade their existing distribution system. On January 9, 2015, the Board amended the original authorization to total a loan of \$1,622,600 at 0% interest for 30 years with \$811,600 in principle forgiveness. On November 13, 2015, WEID presented a change of scope to the Board involving a regionalized water system, connecting WEID with SPID.

WEID and SPID are now proposing that WEID and Tooele County enter into an interlocal agreement with SPID whereby SPID would be substituted as the borrower under the loan and assume the repayment obligation. SPID will own the project and incorporate WEID into the SPID system, providing water service to WEID. Customers outside of WEID requesting water service from the project would be required to annex into SPID. At this time, the land within WEID will not annex into SPID; however, annexation is mutually desired and could happen in the future.

As a result of the change in scope, the estimated cost of the project has increased by \$301,000. SPID would like to request an additional \$78,000 in funding. The additional increase in cost for the project is being shared by the different areas being served and benefitted by the project including SPID, Tooele County and the LDS Church.

The local MAGI for the WEID is \$29,797, which is 79% of the State MAGI. The current 18 connections have a water bill of approximately \$79 per month, which is 3.18% of local MAGI, therefore the District qualifies to be considered for additional subsidization. Maintaining consistency with the original funding package (50% loan, 50% grant), a loan of \$850,000 at 0% interest for 30 year, with a grant of \$850,600, would result in the

following water bills for the 2 areas involved in the project, based on the first five years of the graduated repayment schedule:

District Areas:	ERC	Current Water Bill	Water Bill after Project	% MAGI
WEID (current)	18	\$79	\$105	4.23
WEID (on private wells)	35	\$0	\$20	.81

The proposed water bill will not increase beyond the planned \$105/month average. These anticipated rates have been presented at public meetings and a formal vote in support has been demonstrated. The parameters resolution that has already been adopted covers the requested increase in loan of \$39,000.

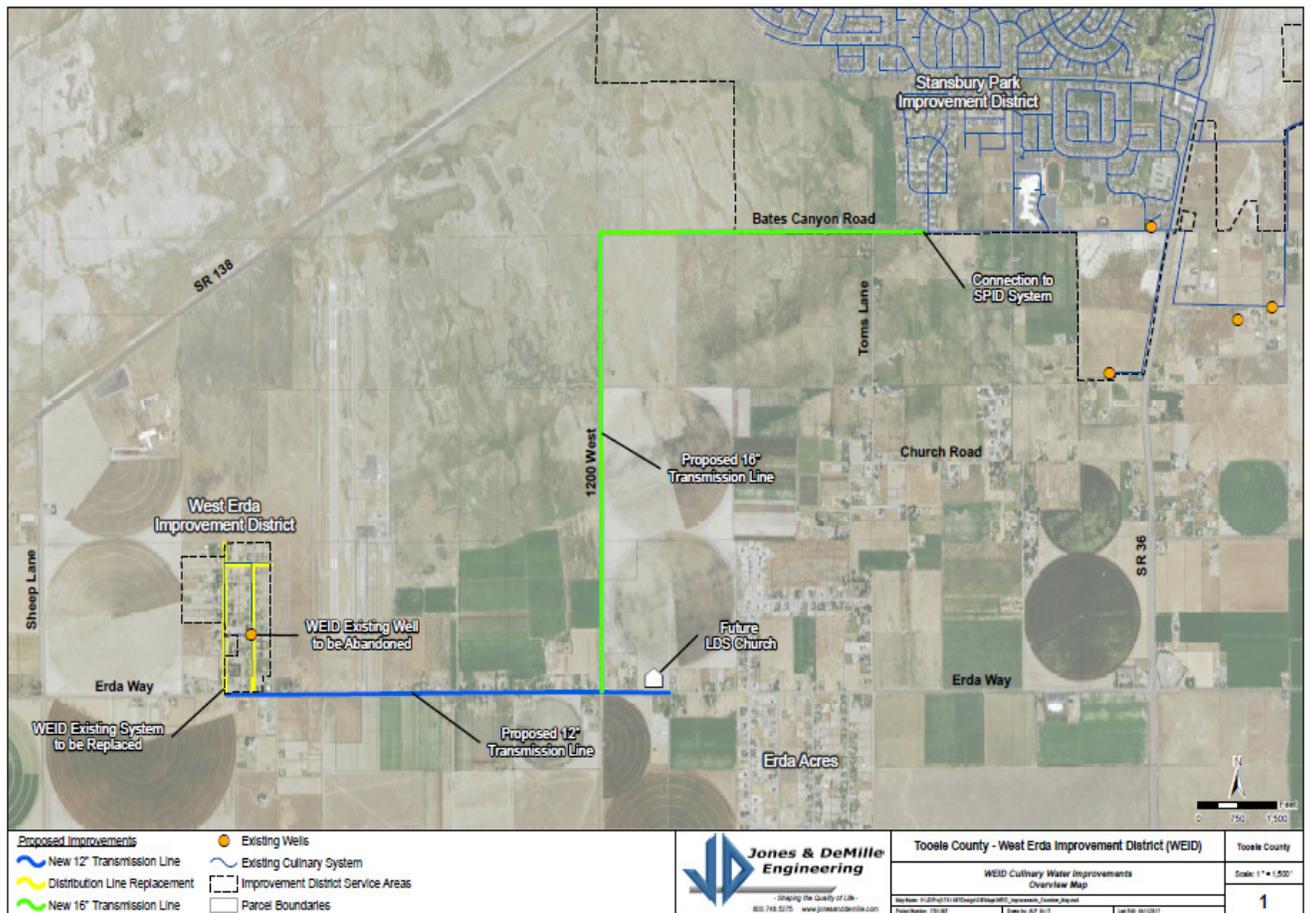
STAFF RECOMMENDS:

The Drinking Water Board amend the original authorization to a loan of \$1,700,600 at 0% interest for 30 years to Stansbury Park Improvement District with \$850,600 in principle forgiveness, with a graduated repayment schedule as proposed in the attached evaluation.

APPLICANT'S LOCATION:

WEID is located in Tooele County.

MAP OF APPLICANT'S LOCATION:



PROJECT DESCRIPTION:

The connection of WEID to SPID will include the following additional tasks at an approximate increase of \$301,000 to the original budget:

- Connecting to the existing SPID system with approximately 14,200 feet of 16-inch transmission line and 7,400 feet of 12-inch transmission line with appurtenances. This is an increase of approximately 3,200 linear feet of 16-inch diameter transmission line, and approximately 7,000 feet of 12-inch diameter transmission line necessary to connect to the SPID system as compared to connecting to the Erda Acres Water Company

The WEID project will also include the following as was planned from the beginning:

- WEID distribution system upgrades will include installing approximately 5,800 feet of 8-inch water line, along with 34 fire hydrants and valves. 53 service connections and service meters will be installed. 18 homes will be served immediately, while the other 35 connections will be served fire protection only at a reduced rate until they choose to abandon private wells and connect.
- Capacity in the existing SPID storage and source facilities will be purchased by WEID through impact fees for all 53 connections.

POPULATION GROWTH:

According to the Utah State Governor’s Office of Planning and Budgeting, the anticipated growth rate for Tooele County is approximately 2.66% per year over the next 40 years. Based on this growth rate, West Erda could expect the following increase in population:

	<u>Year</u>	<u>Population</u>
Current:	2014	158
Projected:	2050	309

IMPLEMENTATION SCHEDULE:

Apply to DWB for Construction Funds:	March 2017
SRF Committee Conference Call:	April 2017
DWB Funding Authorization:	May 2017
Advertise Environmental Assessment:	June 2017
Complete Design:	June 2017
Plan Approval:	June 2107
Advertise for Bids:	July 2017

Bid Opening:	July 2017
Loan Closing:	August 2017
Begin Construction:	August 2017
Complete Construction:	December 2017
Receive Operating Permit:	December 2017

COST ESTIMATE:

Legal and Bonding	\$19,500
Environmental	\$21,265
Inter-local Agreements	\$4,825
Administrative	\$18,675
Engineering- Design	\$67,800
Engineering- CMS	\$80,425
Engineering- O&M, OP, Etc.	\$3,510
Storage/Source Buy-in	\$111,388
Construction	\$1,382,609
Contingency	<u>\$213,603</u>
Total Project Cost	\$1,923,600

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)	\$850,000	44%
DWB Grant	\$850,600	44%
SPID	\$78,000	4%
LDS Church	\$100,000	5.5%
Tooele County	\$45,000	2.5%
Total Amount	\$1,923,600	100%

ESTIMATED ANNUAL COST OF WATER SERVICE (first 10 years):

Operation and Maintenance plus Depreciation: \$29,876 (NOTE: This is based on 2014, which was much higher than typical years).

Existing DW Debt Service: \$0

DDW Debt Service (0%, 30-yrs): \$15,000

DDW Debt Reserve: \$1,500

Replacement Reserve Account: \$3,750

Monthly Cost/ERC to WEID (current): \$105

Monthly Cost/ERC to WEID (on private wells): \$20

Cost as % MAGI to WEID current: 4.23%

Stansbury Park Improvement District

May 12, 2017

Page 6

APPLICANT: Stansbury Park Improvement District
#10 Plaza
Stansbury Park, Utah 84074

PRESIDING OFFICIAL &
CONTACT PERSON: Brett Palmer
#10 Plaza
Stansbury Park, Utah 84074

BOND ATTORNEY: Alex Buxton
Zions First National Bank
One South Main Street, 18th floor
Salt Lake City, UT 84111

CONSULTING ENGINEER: Darin Robinson
Jones and DeMille Engineering
1535 South 100 West
Richfield, UT 84701
Email: darin@jonesanddemille.com
435-896-8266

DRINKING WATER BOARD FINANCIAL ASSISTANCE EVALUATION

SYSTEM NAME: West Erda
 COUNTY: Tooele
 PROJECT DESCRIPTION: Transmission Line and Distribution Improvements

FUNDING SOURCE: Federal SRF

50 % Loan & 50 % P.F.

ESTIMATED POPULATION:	158	NO. OF CONNECTIONS:	18 *	SYSTEM RATING:	APPROVED
CURRENT AVG WATER BILL:	\$74.51 *			PROJECT TOTAL:	\$1,923,600
CURRENT % OF AGI:	3.00%	FINANCIAL PTS:	53	LOAN AMOUNT:	\$850,000
ESTIMATED MEDIAN AGI:	\$29,797			PRINC. FORGIVENESS:	\$850,600
STATE AGI:	\$39,325			TOTAL REQUEST:	\$1,700,600
SYSTEM % OF STATE AGI:	76%				

	@ ZERO % RATE	@ RBBI MKT RATE		AFTER REPAYMENT PENALTY & POINTS
SYSTEM	0%	4.93%		0.00%
ASSUMED LENGTH OF DEBT, YRS:	30	30		30
ASSUMED NET EFFECTIVE INT. RATE:	0.00%	4.93%		0.00%
REQUIRED DEBT SERVICE:	\$28,333.33	\$54,853.29		\$28,333.33
*PARTIAL COVERAGE (15%):	\$4,250.00	\$8,227.99		\$4,250.00
*ADD. COVERAGE AND RESERVE (10%):	\$2,833.33	\$5,485.33		\$2,833.33
ANNUAL NEW DEBT PER CONNECTION:	\$1,967.59	\$3,809.26		\$1,967.59
O & M + FUNDED DEPRECIATION:	\$2,786.00	\$2,786.00		\$2,786.00
OTHER DEBT + COVERAGE:	\$0.00	\$0.00		\$0.00
REPLACEMENT RESERVE ACCOUNT:	\$0.00	\$0.00		\$0.00
ANNUAL EXPENSES PER CONNECTION:	\$154.78	\$154.78		\$154.78
TOTAL SYSTEM EXPENSES	\$38,202.67	\$71,352.62		\$38,202.67
TAX REVENUE:	\$0.00	\$0.00		\$0.00
RESIDENCE				
MONTHLY NEEDED WATER BILL:				
WEID	\$176.86	\$330.34		\$105.00
WEID on wells				\$20.00
% OF ADJUSTED GROSS INCOME:	7.12%	13.30%		4.23%

* Equivalent Residential Connections

R309-700-5

West Erda

Tooele

October 20, 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
	\$106,867	
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	X
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	
F. Greater than 150% of State Median AGI	0	
	76%	
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	
e. Less than 2% of project funds	0	X
	0.0%	
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	
	4.23%	
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	
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	X
D. Has a rate structure encouraging conservation	6	
TOTAL POINTS FOR FINANCIAL NEED	53	
TOTAL POSSIBLE POINTS FOR FINANCIAL NEED	100	

West Erda

PROPOSED BOND REPAYMENT SCHEDULE

50 % Loan & 50 % P.F.

PRINCIPAL	\$850,000.00	ANTICIPATED CLOSING DATE	01-Feb-15
INTEREST	0.00%	FIRST P&I PAYMENT DUE	01-Jan-16
TERM	30	REVENUE BOND	
NOMIN. PAYMENT	\$28,333.33	PRINC PREPAID:	\$0.00

YEAR	BEGINNING BALANCE	DATE OF PAYMENT	PAYMENT	PRINCIPAL	INTEREST	ENDING BALANCE	PAYM NO.
2017	\$850,000.00		\$0.00 *	\$0.00	\$0.00	\$850,000.00	0
2018	\$850,000.00		\$11,000.00	\$11,000.00	\$0.00	\$839,000.00	1
2019	\$839,000.00		\$11,000.00	\$11,000.00	\$0.00	\$828,000.00	2
2020	\$828,000.00		\$12,000.00	\$12,000.00	\$0.00	\$816,000.00	3
2021	\$816,000.00		\$12,000.00	\$12,000.00	\$0.00	\$804,000.00	4
2022	\$804,000.00		\$12,000.00	\$12,000.00	\$0.00	\$792,000.00	5
2023	\$792,000.00		\$13,000.00	\$13,000.00	\$0.00	\$779,000.00	6
2024	\$779,000.00		\$13,000.00	\$13,000.00	\$0.00	\$766,000.00	7
2025	\$766,000.00		\$13,000.00	\$13,000.00	\$0.00	\$753,000.00	8
2026	\$753,000.00		\$13,000.00	\$13,000.00	\$0.00	\$740,000.00	9
2027	\$740,000.00		\$15,000.00	\$15,000.00	\$0.00	\$725,000.00	10
2028	\$725,000.00		\$15,000.00	\$15,000.00	\$0.00	\$710,000.00	11
2029	\$710,000.00		\$15,000.00	\$15,000.00	\$0.00	\$695,000.00	12
2030	\$695,000.00		\$17,000.00	\$17,000.00	\$0.00	\$678,000.00	13
2031	\$678,000.00		\$16,000.00	\$16,000.00	\$0.00	\$662,000.00	14
2032	\$662,000.00		\$16,000.00	\$16,000.00	\$0.00	\$646,000.00	15
2033	\$646,000.00		\$16,000.00	\$16,000.00	\$0.00	\$630,000.00	16
2034	\$630,000.00		\$26,000.00	\$26,000.00	\$0.00	\$604,000.00	17
2035	\$604,000.00		\$26,000.00	\$26,000.00	\$0.00	\$578,000.00	18
2036	\$578,000.00		\$26,000.00	\$26,000.00	\$0.00	\$552,000.00	19
2037	\$552,000.00		\$26,000.00	\$26,000.00	\$0.00	\$526,000.00	20
2038	\$526,000.00		\$53,000.00	\$53,000.00	\$0.00	\$473,000.00	21
2039	\$473,000.00		\$53,000.00	\$53,000.00	\$0.00	\$420,000.00	22
2040	\$420,000.00		\$53,000.00	\$53,000.00	\$0.00	\$367,000.00	23
2041	\$367,000.00		\$52,000.00	\$52,000.00	\$0.00	\$315,000.00	24
2042	\$315,000.00		\$53,000.00	\$53,000.00	\$0.00	\$262,000.00	25
2043	\$262,000.00		\$52,000.00	\$52,000.00	\$0.00	\$210,000.00	26
2044	\$210,000.00		\$53,000.00	\$53,000.00	\$0.00	\$157,000.00	27
2045	\$157,000.00		\$52,000.00	\$52,000.00	\$0.00	\$105,000.00	28
2046	\$105,000.00		\$53,000.00	\$53,000.00	\$0.00	\$52,000.00	29
2047	\$52,000.00		\$52,000.00	\$52,000.00	\$0.00	\$0.00	30
			\$850,000.00	\$850,000.00	\$0.00		

*Interest Only Payment

West Erda

DWB Loan Terms

Local Share (total):	\$	-
Other Agency Funding:	\$	223,000
DWB Grant Amount:	\$	850,600
DWB Loan Amount:	\$	850,000
DWB Loan Term:		30
DWB Loan Interest:		0.00%
DWB Loan Payment:	\$	28,333

DW Expenses (Estimated)

Proposed Facility Capital Cost:	\$	1,923,600
Existing Facility O&M Expense:	\$	2,786
Proposed Facility O&M Expense:	\$	2,786
O&M Inflation Factor:		1.0%
Existing Debt Service:	\$	-

DW Revenue Sources (Projected)

Beginning Cash:	\$	-
Existing Customers (ERC):		18
Projected Growth Rate:		1.0%
Impact Fee/Connection Fee:	\$	5,000
Current Monthly User Charge:	\$	74.51
User Charge for 18 WEID connections	\$	105.00
Fire Suppression Fee for 35 on wells in WEID		\$20.00

DW Revenue Projections

Yr	Growth Rate (%)	Annual Growth (ERC)	Total Users	User Charge Revenue	Impact Fee Revenue	Property Tax Revenue	Total Revenue	DWB Loan Repayment	DWB Loan Reserves	Remaining Principal	Principal Payment	Interest Payment	Existing			Debt	
													DW Debt Service	O&M Expenses	Total Expenses	Service Ratio	
0	1.0%	0	18	16,094	-	-	16,094	-	-	850,000	-	-	-	-	-	-	-
1	1.0%	0	18	23,380	-	-	23,380	11,000	2,833	839,000	11,000	-	-	-	2,786	16,619	1.87
2	1.0%	0	18	23,380	-	-	23,380	11,000	2,833	828,000	11,000	-	-	-	2,786	16,619	1.87
3	1.0%	1	19	24,640	5,000	-	29,640	12,000	2,833	816,000	12,000	-	-	-	2,814	16,647	1.87
4	1.0%	0	19	24,640	-	-	24,640	12,000	2,833	804,000	12,000	-	-	-	2,842	17,675	2.23
5	1.0%	0	19	24,640	-	-	24,640	12,000	2,833	792,000	12,000	-	-	-	2,870	17,704	1.81
6	1.0%	0	19	24,640	-	-	24,640	13,000	2,833	779,000	13,000	-	-	-	2,899	17,732	1.81
7	1.0%	0	19	24,640	-	-	24,640	13,000	2,833	766,000	13,000	-	-	-	2,928	18,761	1.67
8	1.0%	0	19	24,640	-	-	24,640	13,000	2,833	753,000	13,000	-	-	-	2,957	18,791	1.67
9	1.0%	1	20	25,900	5,000	-	30,900	13,000	2,833	740,000	13,000	-	-	-	2,987	18,820	1.67
10	1.0%	0	20	25,900	-	-	25,900	15,000	2,833	725,000	15,000	-	-	-	3,017	18,850	2.14
11	1.0%	0	20	25,900	-	-	25,900	15,000	2,833	710,000	15,000	-	-	-	3,047	20,880	1.52
12	1.0%	0	20	25,900	-	-	25,900	15,000	2,833	695,000	15,000	-	-	-	3,077	18,077	1.52
13	1.0%	0	20	25,900	-	-	25,900	17,000	2,833	678,000	17,000	-	-	-	3,108	18,108	1.52
14	1.0%	1	21	27,160	5,000	-	32,160	16,000	2,833	662,000	16,000	-	-	-	3,139	20,139	1.34
15	1.0%	0	21	27,160	-	-	27,160	16,000	2,833	646,000	16,000	-	-	-	3,171	19,171	1.81
16	1.0%	0	21	27,160	-	-	27,160	16,000	2,833	630,000	16,000	-	-	-	3,202	19,202	1.50
17	1.0%	0	21	27,160	-	-	27,160	26,000	2,833	604,000	26,000	-	-	-	3,234	19,234	1.50
18	1.0%	1	22	28,420	5,000	-	33,420	26,000	2,833	578,000	26,000	-	-	-	3,267	29,267	0.92
19	1.0%	0	22	28,420	-	-	28,420	26,000	2,833	552,000	26,000	-	-	-	3,299	29,299	1.16
20	1.0%	0	22	28,420	-	-	28,420	26,000	2,833	526,000	26,000	-	-	-	3,332	29,332	0.96
21	1.0%	0	22	28,420	-	-	28,420	53,000	2,833	473,000	53,000	-	-	-	3,366	29,366	0.96
22	1.0%	0	22	28,420	-	-	28,420	53,000	2,833	420,000	53,000	-	-	-	3,399	56,399	0.47
23	1.0%	1	23	29,680	5,000	-	34,680	53,000	2,833	367,000	53,000	-	-	-	3,433	56,433	0.47
24	1.0%	0	23	29,680	-	-	29,680	52,000	2,833	315,000	52,000	-	-	-	3,468	56,468	0.59
25	1.0%	0	23	29,680	-	-	29,680	53,000	2,833	262,000	53,000	-	-	-	3,502	55,502	0.50
26	1.0%	0	23	29,680	-	-	29,680	52,000	2,833	210,000	52,000	-	-	-	3,537	56,537	0.49
27	1.0%	1	24	30,940	5,000	-	35,940	53,000	2,833	157,000	53,000	-	-	-	3,573	55,573	0.50
28	1.0%	0	24	30,940	-	-	30,940	52,000	2,833	105,000	52,000	-	-	-	3,609	56,609	0.61
29	1.0%	0	24	30,940	-	-	30,940	53,000	2,833	52,000	53,000	-	-	-	3,645	55,645	0.52
30	1.0%	0	24	30,940	-	-	30,940	52,000	2,833	-	52,000	-	-	-	3,681	56,681	0.51
Total Paid in Debt Service =											850,000	-	-	-	3,718	55,718	0.52



March 15, 2017

Julie Cobleigh
Utah Department of Environmental Quality
Utah Division of Drinking Water
195 North 1950 West
P.O. Box 144830
Salt Lake City, Utah 84114-4830

Re: *West Erda Improvement District
Federal SRF Loan Authorization
Project No. 3F233, System #23001*

Dear Julie:

The Utah Drinking Water Board ("Board"), has authorized a loan to the West Erda Improvement District ("WEID"), in the amount of approximately \$1,622,600, with approximately \$811,600 in principal forgiveness and an approximate \$811,000 repayment amount (the "Loan"), to finance upgrades and improvements to the WEID water system. The current plan before the Board includes: (i) the construction and installation of a new internal water distribution system and a main water transmission line extending from the water distribution system to a point of connection with the water system of Stansbury Park Improvement District (collectively, the "Improvements"), with WEID, the borrower under the Loan, being the owner of the project and retaining title to the system; and (ii) an interlocal agreement between WEID and Stansbury Park Improvement District ("SPID"), pursuant to which SPID would, by contract, operate, maintain and repair the Improvements and provide water through its wells, utilizing its storage facilities.

WEID and SPID hereby now propose that WEID and Tooele County (the "County"), enter into an interlocal agreement with SPID whereby: (i) SPID, with the approval of the Board, would be substituted as the borrower under the Loan and assume the repayment obligation thereunder; (ii) SPID would assume responsibility for the construction and installation of the Improvements as a SPID project; (iii) SPID would own the Improvements which would be incorporated into the SPID system; (iv) SPID would provide water service to WEID customers under its authority under State law to provide water service outside of its legal boundaries, subject to all SPID rules, regulations, policies and procedures; and (v) customers outside of WEID desiring water service through the Improvements would be required to

Wade Bitner
Chairman

Myron E. Bateman

Shawn Milne

{01130581-1 }

TOOELE COUNTY COMMISSION

Tooele County Office Bldg. 47 South Main Street Suite# 300 Tooele, Utah 84074
[Office] 435-843-3150 [fax] 435-843-3400 [toll free] 866-704-3443 www.co.tooele.ut.us

annex into SPID and receive water service from SPID in the same manner, and pursuant to the same rules, regulations, policies and procedures applicable to all other new customers and new developments within Stansbury Park. It is not contemplated that the land within WEID would annex into the District at this time; however, annexation is mutually desired and could happen in the future.

Under the interlocal agreement, among other things, SPID will require the County Commission, acting as the governing authority of WEID and the County, to require by ordinance, as a condition to development approval in the County, that lands capable of being served through the Improvements shall be required to connect to and receive municipal water service from SPID through its public water system, in conformance with all SPID rules, regulations, policies and procedures; thereby, increasing the number of people in the Erda area of the County receiving water service from a reputable public water supplier, and generating increased revenues to facilitate repayment of the Loan.

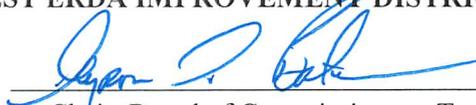
The parties have found and determined that utilizing SPID as the sole water service provider, given its greater resources and expertise, and its willingness, for the greater common good, to assist in the extension of its water system: (i) is a reasonable and practical approach to providing water service to the customers of WEID who have suffered with a very poor water system for a very long time; (ii) is in accord with geographic, economic, population and other factors influencing the rapid development that is taking place in North Tooele County; (iii) provides the benefit of economy of scale and promotes the more efficient use of governmental authority in furtherance of the County's goal of establishing a single, regional supplier of water and sanitary sewer service in this area of the County; and (iv) is in the collective best interest of the citizens of North Tooele County.

The purpose of this letter is to formally request, in behalf of WEID and SPID, that SPID be substituted as the project owner and borrower under the Loan for the purposes and reasons set forth above. The Board's consideration of this important matter is greatly appreciated.

Very truly yours,

WEST ERDA IMPROVEMENT DISTRICT

By: _____



Chair, Board of Commissioners, Tooele County,
Utah, acting as the Governing Authority

TOOELE COUNTY, UTAH

By: _____



Chair, Board of County Commissioners

STANSBURY PARK IMPROVEMENT DISTRICT

By:  _____
General Manager

Agenda Item

5(C)(ii)(f)

DRINKING WATER BOARD
BOARD PACKET FOR CONSTRUCTION LOAN
AUTHORIZATION

APPLICANT'S REQUEST:

The Big Plains Water and Sewer Special Service District (BPWSSSD) is requesting financial assistance in the amount of \$517,125 to purchase the Canaan Springs Water Company, including water rights and all existing water system infrastructure.

STAFF COMMENTS:

Canaan Springs Water Company is an existing water system that is currently listed as a non-public system with the Division of Drinking Water. According to current information, the system appears to now be a public water system with 13 connections and a population of approximately 35. BPWSSSD and Canaan Springs Water Company have both signed a Memorandum of Understanding outlining the understanding of both parties' agreement to enter into a contract for the purchase by BPWSSSD. The purchase will include the water rights along with the system infrastructure which includes a spring, water storage tank and water lines. BPWSSSD is also applying for financial assistance with USDA- Rural Development for a construction project to connect Canaan Springs Water Company with BPWSSSD and upgrade existing infrastructure to meet public drinking water standards.

In the first few years of being established, the BPWSSSD has experienced a much larger increase in system expenses than what they had originally planned for. This is a result of bringing the newly acquired systems up to operating standards. They anticipate annual operating costs to decrease as equipment maintenance and replacement of the existing systems decrease. The anticipated high growth rate in Washing County will also bring in more impact fees to support their system. With the addition of the Canaan Springs Water Company, the District will have the capacity to support future connections in the area. Based on feedback, they anticipate receiving support for this project from the existing users.

The local MAGI of BPWSSD is \$35,993 which is 83% of the State MAGI. The current average water bill for BPWSSD is approximately \$39 per month, which is 1.30% of local MAGI. A full loan for 20 years at the calculated interest rate of 1.76% would result in an average water bill of approximately \$101, which is 3.36% of their local MAGI. Based on this information, they qualify to be considered for additional subsidization.

Staff explored the following funding options:

Total Funding	Loan	Principal Forgiveness	Terms	Water Bill	% MAGI
\$517,125	\$362,000	\$155,125	1.0%, 30 yrs	\$96.23	3.21%
\$517,125	\$259,000	\$258,125	1.0%, 30 yrs	\$95.13	3.17%

*The calculated water bill includes the additional 13 connections for Canaan Springs.

FINANCIAL ASSISTANCE COMMITTEE RECOMMENDATION:

The Drinking Water Board authorize a \$517,125 loan to BPWSSSD with a 1.0% interest/fee per annum for 30 years with \$155,125 in principal forgiveness. The repayable amount will be \$362,000.

APPLICANT’S LOCATION:

The BPWSSSD is located in Apple Valley.

MAP OF APPLICANT’S LOCATION:



PROJECT DESCRIPTION:

The project involves the purchase of Canaan Springs Water Company including water rights and system infrastructure.

POPULATION GROWTH:

According to the Utah State Governor’s Office of Planning and Budgeting, the anticipated growth rate for Apple Valley is approximately 4% per year through 2040. The following are growth projections for BPWSSSD.

	<u>Year</u>	<u>Population</u>
Current:	2017	720
Projected:	2040	1,382

IMPLEMENTATION SCHEDULE:

Apply to DWB for Funds:	March 2017
FA Committee Conference Call:	April 2017
DWB Funding Authorization:	May 2017
Complete Purchase:	June 2017

COST ESTIMATE:

Legal- Bonding	\$20,000
Engineering – Planning	\$7,125
Easements	\$15,000
Purchase of Water System	<u>\$475,000</u>
Total Project Cost	\$517,125

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>
DW Loan (1%, 30-yr)	\$362,000	70%
DW Principal Forgiveness	<u>\$155,125</u>	<u>30%</u>
Total Amount	\$517,125	100%

ESTIMATED ANNUAL COST OF WATER SERVICE:

Operation and Maintenance plus Depreciation: \$94,522
Existing DW Debt Service: \$274,350
Required Debt Service (1.0%, 30 yrs): \$14,026.82
Debt Service Reserve: \$1,402.68
Replacement Reserve Account: \$16,401.44
Annual Cost/ERC: \$1,154.76
Monthly Cost/ERC: \$96.23
Cost as % MAGI: 3.21%

CONTACT INFORMATION:

APPLICANT:

Big Plains Water and Sewer SSD
1777 North Meadowlark Dr.
Apple Valley, UT 84737
435-877-1190

**PRESIDING OFFICIAL &
CONTACT PERSON:**

Harold Merritt, Chairman
1777 North Meadowlark Dr.
Apple Valley, UT 84737
435-877-1190

TREASURER / RECORDER:

Nathan Bronemann
435-877-1190
nb@applevalleut.gov

CONSULTING ENGINEER:

Rod Mills
Ensign Engineering & Land Surveying
1870 N Main, Ste 102
Cedar City, UT 84721
435-590-0187

DRINKING WATER BOARD FINANCIAL ASSISTANCE EVALUATION

SYSTEM NAME: Big Plains Water and Sewer SSD
 COUNTY: Washington
 PROJECT DESCRIPTION: Purchase of Canaan Springs Water Company

FUNDING SOURCE: Federal SRF

70 % Loan & 30 % P.F.

ESTIMATED POPULATION:	720	NO. OF CONNECTIONS:	347 *	SYSTEM RATING:	APPROVED
CURRENT AVG WATER BILL:	\$39.00 *			PROJECT TOTAL:	\$517,125
CURRENT % OF AGI:	1.30%	FINANCIAL PTS:	65	LOAN AMOUNT:	\$362,000
ESTIMATED MEDIAN AGI:	\$35,993			PRINC. FORGIVE.:	\$155,125
STATE AGI:	\$43,196			TOTAL REQUEST:	\$517,125
SYSTEM % OF STATE AGI:	83%				

	@ ZERO % RATE 0%	@ RBBI MKT RATE 4.17%		AFTER REPAYMENT PENALTY & POINTS 1.00%
<u>SYSTEM</u>				
ASSUMED LENGTH OF DEBT, YRS:	30	30		30
ASSUMED NET EFFECTIVE INT. RATE:	0.00%	4.17%		1.00%
REQUIRED DEBT SERVICE:	\$12,066.67	\$21,368.74		\$14,026.82
*PARTIAL COVERAGE (15%):	\$0.00	\$0.00		\$0.00
*ADD. COVERAGE AND RESERVE (10%):	\$1,206.67	\$2,136.87		\$1,402.68
ANNUAL NEW DEBT PER CONNECTION:	\$38.25	\$67.74		\$44.47
O & M + FUNDED DEPRECIATION:	\$94,522.00	\$94,522.00		\$94,522.00
OTHER DEBT + COVERAGE:	\$274,350.00	\$274,350.00		\$274,350.00
REPLACEMENT RESERVE ACCOUNT:	\$16,303.43	\$16,768.54		\$16,401.44
ANNUAL EXPENSES PER CONNECTION:	\$1,110.02	\$1,111.36		\$1,110.30
TOTAL SYSTEM EXPENSES	\$398,448.77	\$409,146.15		\$400,702.94
TAX REVENUE:	\$0.00	\$0.00		\$0.00
<u>RESIDENCE</u>				
MONTHLY NEEDED WATER BILL:	\$95.69	\$98.26		\$96.23
% OF ADJUSTED GROSS INCOME:	3.19%	3.28%		3.21%

* Equivalent Residential Connections

R309-700-5

Big Plains Water and Sewer SSD
Washington
March 31, 2017

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	X
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	
	\$1,490	
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	X
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	
F. Greater than 150% of State Median AGI	0	
	83%	
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	
e. Less than 2% of project funds	0	X
	0.0%	
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	
	3.20%	
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	
B. Has a replacement fund equal to at least 15% or 20% of annual DW budget.	5	
C. Is creating or enhancing a regionalization plan	16	X
D. Has a rate structure encouraging conservation	6	X
TOTAL POINTS FOR FINANCIAL NEED	65	
TOTAL POSSIBLE POINTS FOR FINANCIAL NEED	100	

Big Plains Water and Sewer SSD

PROPOSED BOND REPAYMENT SCHEDULE

70 % Loan & 30 % P.F.

PRINCIPAL	\$362,000.00	ANTICIPATED CLOSING DATE	01-Jul-17
INTEREST	1.00%	FIRST P&I PAYMENT DUE	01-Jan-18
TERM	30	REVENUE BOND	
NOMIN. PAYMENT	\$14,026.82	PRINC. FORGIVE.:	\$155,125.00

YEAR	BEGINNING BALANCE	DATE OF PAYMENT	PAYMENT	PRINCIPAL	INTEREST	ENDING BALANCE	PAYM NO.
2017	\$362,000.00		(\$1,810.00) *	\$0.00	(\$1,810.00)	\$362,000.00	0
2018	\$362,000.00		\$13,620.00	\$10,000.00	\$3,620.00	\$352,000.00	1
2019	\$352,000.00		\$14,520.00	\$11,000.00	\$3,520.00	\$341,000.00	2
2020	\$341,000.00		\$14,410.00	\$11,000.00	\$3,410.00	\$330,000.00	3
2021	\$330,000.00		\$14,300.00	\$11,000.00	\$3,300.00	\$319,000.00	4
2022	\$319,000.00		\$14,190.00	\$11,000.00	\$3,190.00	\$308,000.00	5
2023	\$308,000.00		\$14,080.00	\$11,000.00	\$3,080.00	\$297,000.00	6
2024	\$297,000.00		\$13,970.00	\$11,000.00	\$2,970.00	\$286,000.00	7
2025	\$286,000.00		\$13,860.00	\$11,000.00	\$2,860.00	\$275,000.00	8
2026	\$275,000.00		\$13,750.00	\$11,000.00	\$2,750.00	\$264,000.00	9
2027	\$264,000.00		\$13,640.00	\$11,000.00	\$2,640.00	\$253,000.00	10
2028	\$253,000.00		\$13,530.00	\$11,000.00	\$2,530.00	\$242,000.00	11
2029	\$242,000.00		\$14,420.00	\$12,000.00	\$2,420.00	\$230,000.00	12
2030	\$230,000.00		\$14,300.00	\$12,000.00	\$2,300.00	\$218,000.00	13
2031	\$218,000.00		\$14,180.00	\$12,000.00	\$2,180.00	\$206,000.00	14
2032	\$206,000.00		\$14,060.00	\$12,000.00	\$2,060.00	\$194,000.00	15
2033	\$194,000.00		\$13,940.00	\$12,000.00	\$1,940.00	\$182,000.00	16
2034	\$182,000.00		\$13,820.00	\$12,000.00	\$1,820.00	\$170,000.00	17
2035	\$170,000.00		\$13,700.00	\$12,000.00	\$1,700.00	\$158,000.00	18
2036	\$158,000.00		\$13,580.00	\$12,000.00	\$1,580.00	\$146,000.00	19
2037	\$146,000.00		\$14,460.00	\$13,000.00	\$1,460.00	\$133,000.00	20
2038	\$133,000.00		\$14,330.00	\$13,000.00	\$1,330.00	\$120,000.00	21
2039	\$120,000.00		\$14,200.00	\$13,000.00	\$1,200.00	\$107,000.00	22
2040	\$107,000.00		\$14,070.00	\$13,000.00	\$1,070.00	\$94,000.00	23
2041	\$94,000.00		\$13,940.00	\$13,000.00	\$940.00	\$81,000.00	24
2042	\$81,000.00		\$13,810.00	\$13,000.00	\$810.00	\$68,000.00	25
2043	\$68,000.00		\$13,680.00	\$13,000.00	\$680.00	\$55,000.00	26
2044	\$55,000.00		\$14,550.00	\$14,000.00	\$550.00	\$41,000.00	27
2045	\$41,000.00		\$14,410.00	\$14,000.00	\$410.00	\$27,000.00	28
2046	\$27,000.00		\$13,270.00	\$13,000.00	\$270.00	\$14,000.00	29
2047	\$14,000.00		\$14,140.00	\$14,000.00	\$140.00	\$0.00	30
			----- \$418,920.00	----- \$362,000.00	----- \$56,920.00		

*Interest Only Payment

Big Plains Water and Sewer SSD

DWB Loan Terms

Local Share (total):	\$	-
Other Agency Funding:	\$	-
DWB Grant Amount:	\$	155,125
DWB Loan Amount:	\$	362,000
DWB Loan Term:		30
DWB Loan Interest:		1.00%
DWB Loan Payment:	\$	14,027

DW Expenses (Estimated)

Proposed Facility Capital Cost:	\$	517,125
Existing Facility O&M Expense:	\$	94,522
Proposed Facility O&M Expense:	\$	94,522
O&M Inflation Factor:		1.0%
Existing Debt Service:	\$	219,480

DW Revenue Sources (Projected)

Beginning Cash:	\$	-
Existing Customers (ERC):		347
Projected Growth Rate:		1.0%
Impact Fee/Connection Fee:	\$	24,500
Current Monthly User Charge:	\$	39.00
Needed Average Monthly User Charge:	\$	96.23

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%	3	347	162,396	73,500	-	235,896	-	-	362,000	-	-	219,480	94,522	314,002	-	
1	1.0%	3	350	404,167	73,500	-	477,667	13,620	1,403	352,000	10,000	3,620	219,480	94,522	329,025	1.64	
2	1.0%	4	354	408,786	98,000	-	506,786	14,520	1,403	341,000	11,000	3,520	219,480	95,467	330,870	1.76	
3	1.0%	4	358	413,405	98,000	-	511,405	14,410	1,403	330,000	11,000	3,410	219,480	96,422	331,715	1.77	
4	1.0%	3	361	416,870	73,500	-	490,370	14,300	1,403	319,000	11,000	3,300	219,480	97,386	332,569	1.68	
5	1.0%	4	365	421,489	98,000	-	519,489	14,190	1,403	308,000	11,000	3,190	219,480	98,360	333,433	1.80	
6	1.0%	3	368	424,953	73,500	-	498,453	14,080	1,403	297,000	11,000	3,080	219,480	99,344	334,306	1.71	
7	1.0%	4	372	429,572	98,000	-	527,572	13,970	1,403	286,000	11,000	2,970	219,480	100,337	335,190	1.83	
8	1.0%	4	376	434,191	98,000	-	532,191	13,860	1,403	275,000	11,000	2,860	219,480	101,340	336,083	1.85	
9	1.0%	4	380	438,810	98,000	-	536,810	13,750	1,403	264,000	11,000	2,750	219,480	102,354	336,986	1.86	
10	1.0%	3	383	442,274	73,500	-	515,774	13,640	1,403	253,000	11,000	2,640	219,480	103,377	337,900	1.77	
11	1.0%	4	387	446,893	98,000	-	544,893	13,530		242,000	11,000	2,530	219,480	104,411	337,421	1.89	
12	1.0%	4	391	451,513	98,000	-	549,513	14,420		230,000	12,000	2,420	219,480	105,455	339,355	1.90	
13	1.0%	4	395	456,132	98,000	-	554,132	14,300		218,000	12,000	2,300	219,480	106,510	340,290	1.91	
14	1.0%	4	399	460,751	98,000	-	558,751	14,180		206,000	12,000	2,180	219,480	107,575	341,235	1.93	
15	1.0%	4	403	465,370	98,000	-	563,370	14,060		194,000	12,000	2,060	219,480	108,651	342,191	1.95	
16	1.0%	4	407	469,989	98,000	-	567,989	13,940		182,000	12,000	1,940	219,480	109,737	343,157	1.96	
17	1.0%	4	411	474,608	98,000	-	572,608	13,820		170,000	12,000	1,820	219,480	110,834	344,134	1.98	
18	1.0%	4	415	479,227	98,000	-	577,227	13,700		158,000	12,000	1,700	219,480	111,943	345,123	2.00	
19	1.0%	4	419	483,846	98,000	-	581,846	13,580		146,000	12,000	1,580	219,480	113,062	346,122	2.01	
20	1.0%	4	423	488,465	98,000	-	586,465	14,460		133,000	13,000	1,460	219,480	114,193	348,133	2.02	
21	1.0%	5	428	494,239	122,500	-	616,739	14,330		120,000	13,000	1,330	219,480	115,335	349,145	2.14	
22	1.0%	4	432	498,858	98,000	-	596,858	14,200		107,000	13,000	1,200	219,480	116,488	350,168	2.06	
23	1.0%	4	436	503,477	98,000	-	601,477	14,070		94,000	13,000	1,070	219,480	117,653	351,203	2.07	
24	1.0%	5	441	509,251	122,500	-	631,751	13,940		81,000	13,000	940	219,480	118,830	352,250	2.20	
25	1.0%	4	445	513,870	98,000	-	611,870	13,810		68,000	13,000	810	219,480	120,018	353,308	2.11	
26	1.0%	4	449	518,489	98,000	-	616,489	13,680		55,000	13,000	680	219,480	121,218	354,378	2.12	
27	1.0%	5	454	524,263	122,500	-	646,763	14,550		41,000	14,000	550	219,480	122,430	356,460	2.24	
28	1.0%	4	458	528,882	98,000	-	626,882	14,410		27,000	14,000	410	219,480	123,655	357,545	2.15	
29	1.0%	5	463	534,656	122,500	-	657,156	13,270		14,000	13,000	270	219,480	124,891	357,641	2.29	
30	1.0%	5	468	540,429	122,500	-	662,929	14,140		-	14,000	140	219,480	126,140	359,760	2.30	
Total Paid in Debt Service =											362,000	58,730					

Agenda Item

5(C)(ii)(g)

**DRINKING WATER BOARD
BOARD PACKET FOR CONSTRUCTION LOAN
AUTHORIZATION**

APPLICANT'S REQUEST:

Community Water Company is requesting financial assistance in the amount of \$3,662,000 to replace and upgrade portions of their existing distribution system and transmission lines, install meters, add an interconnection with Summit Water Distribution Company and upgrade their water treatment plant. After the Financial Assistance Committee call, one of their steel tanks experienced a catastrophic failure that resulted in the tank becoming unusable. The tank is over 40 years old and will need to be replaced, which has been added to the project scope and cost. Community Water Company scored 24.1 points on the Project Priority List.

STAFF COMMENTS:

A Master Plan was completed in 2015, which recommended a number of water system improvements. Since that time, Community Water Company has been in discussions with Summit Water Distribution Company to take over their system. A recent addendum to the 2015 Master Plan evaluated the potential improvements taking into considering an interconnection with Summit Water Distribution Company which would increase the efficiency, water quality and redundancy of the Community Water Company system.

The proposed project will include the replacement of a failing steel storage tank, upgrades to the existing water treatment plant and the replacement of transmission and distribution lines, all of which are old, undersized and failing. In addition, an interconnection will be made with Summit Water Distribution Company. It is anticipated that after the completion of the project, Summit Water Distribution Company will take over ownership of the system and assume responsibility of the loan. They do not anticipate requesting additional funds from the Board for this transfer.

The system currently experiences an average water loss of approximately 43% through their pipes. The existing conventional water treatment plant's capacity has been reduced from 150 gallons per minute (gpm) to 80 gpm due to age and deterioration over time. In addition, the plant cannot operate during certain times of the year due to its inability to effectively handle seasonal changes in the raw water quality.

The local MAGI for Community Water Company is \$78,670 which is 182% of the State MAGI. They currently have an average water bill of approximately \$34 per month, which is 0.52% of local MAGI. A full loan for 20 years at the calculated interest rate of 3.39% would result in an average water bill of approximately \$94, which is 1.44% of

Community Water System

May 12, 2017

Page 2

their local MAGI. Based on this information, they do not qualify to be considered for additional subsidization.

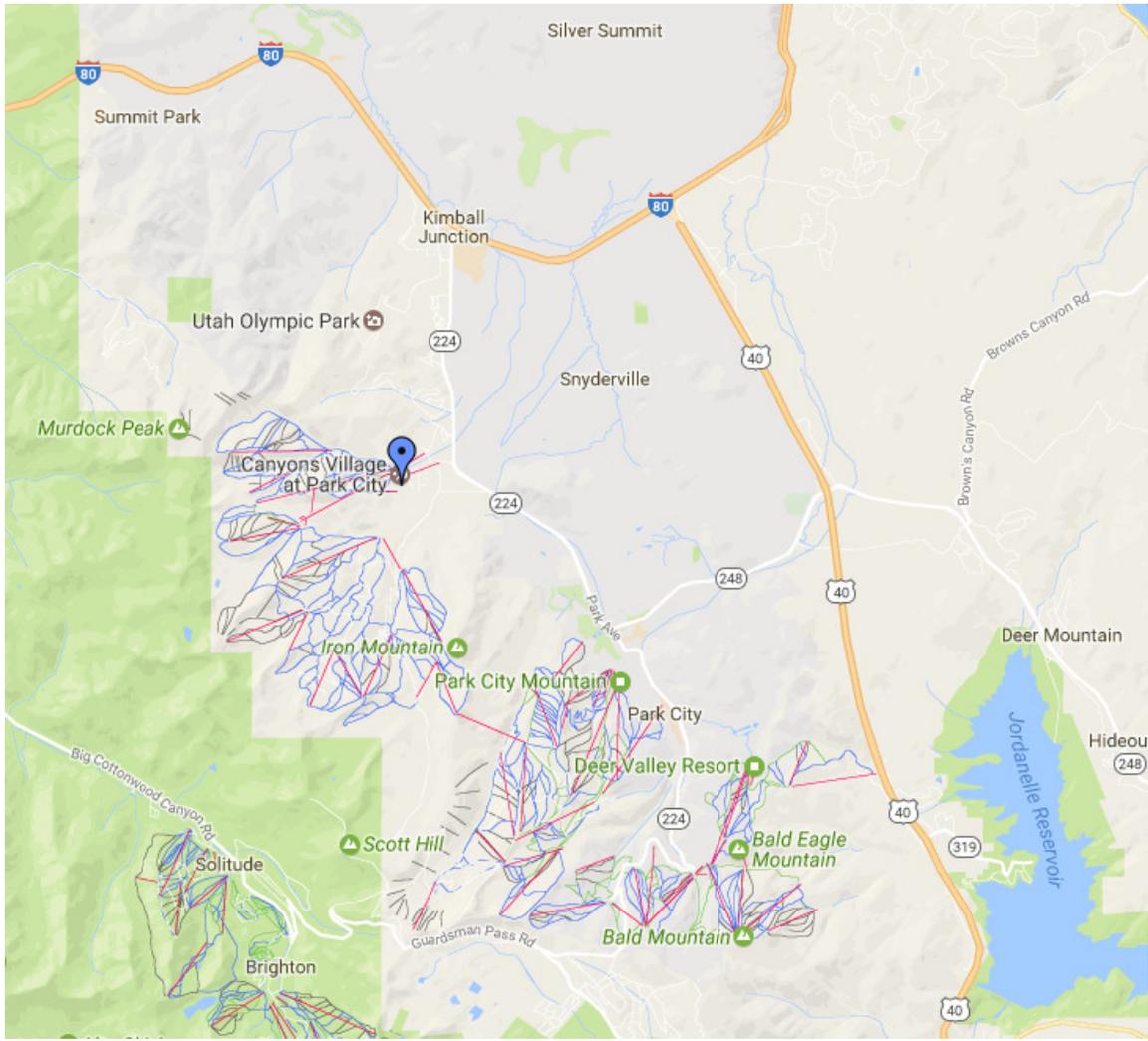
FINANCIAL ASSISTANCE COMMITTEE RECOMMENDATION:

The Drinking Water Board authorize a \$3,662,000 construction loan to Community Water Company with a 3.39% interest/fee per annum for 20 years.

APPLICANT'S LOCATION:

Community Water Company is located by the Canyons Resort in Park City.

MAP OF APPLICANT'S LOCATION:



PROJECT DESCRIPTION:

Based on the water quality and existing system operations, the existing conventional water treatment plant will be replaced with an upflow adsorption clarification package treatment plant. The type of treatment technology may change once more water quality data is collected and analyzed.

The transmission and distribution lines are undersized, aging and experiencing a large amount of water loss. The system currently experiences a 43% water loss in their system. The project involves replacing and upgrading transmission and distribution lines and installing additional pipes to loop the system in areas where there are dead ends. In addition, they will make a connection to Summit Water Distribution Company to combine the two systems.

Recently, they experienced a catastrophic failure of one of their steel tanks, which will be replaced as part of this project.

In the near future, the plan is for Summit Water Distribution Company to take over the ownership and operation of Community Water.

POPULATION GROWTH:

According to the Utah State Governor’s Office of Planning and Budgeting, the anticipated growth rate for Park City is approximately 1.9 % per year over the next 20 years. However, all available connections are built out and very little to no future growth is expected.

	<u>Year</u>	<u>Population</u>
Current:	2017	505
Projected:	2035	505

IMPLEMENTATION SCHEDULE:

Apply to DWB for Construction Funds:	March 2017
SRF Committee Conference Call:	April 2017
DWB Funding Authorization:	May 2017
Complete Design:	August 2017
Plan Approval:	September 2017
Advertise for Bids:	September 2017
Bid Opening:	October 2017
Loan Closing:	November 2017
Begin Construction:	April 2018
Complete Construction:	August 2018
Receive Operating Permit:	August 2018

COST ESTIMATE:

Legal-Bonding	\$28,020
Environmental	\$10,000
Engineering- Design	\$235,478
Engineering- CMS	\$235,478
Engineering- Planning	\$55,213
Construction- Distribution Lines	\$291,760
Construction- Transmission Lines	\$182,630
Construction- Meters/PRVs/Service Valves	\$909,500
Construction- Treatment	\$523,600
Construction- Tank	\$447,294
Contingency- 30%	\$706,407
LOF	<u>\$36,620</u>
Total Project Cost	\$3,662,000

COST ALLOCATION:

<u>Funding Source</u>	<u>Cost Sharing</u>	<u>Percent of Project</u>
DWB Loan (3.39%, 20-yr)	\$3,662,000	100%
Total Amount	<u>\$3,662,000</u>	<u>100%</u>

ESTIMATED ANNUAL COST OF WATER SERVICE:

Operation and Maintenance plus Depreciation: \$300,990
 Existing DW Debt Service: \$0
 DDW Debt Service (3.39%, 20-yrs): \$255,104.37
 DDW Debt Reserve: \$25,510.44
 Partial Coverage (15%): \$38,265.66
 Annual Cost/ERC: \$1,129.09
 Monthly Cost/ERC: \$94.09
 Cost as % MAGI: 1.44%

APPLICANT: Community Water Company
1840 Sun Peak Drive
P.O. Box 680033
Park City, Utah 84068
435-200-8400

PRESIDING OFFICIAL &
CONTACT PERSON: Larry White
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CONSULTING ENGINEER: Tena Campbell
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FINANCIAL CONSULTANT: Rebecca Christianson
TCFC Finance Company
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SYSTEM ATTORNEY: Steve Clyde
Clyde Snow & Sessions
201 South Main Street
Salt Lake City, Utah 84111
801-322-2516
sec@clydesnow.com

DRINKING WATER BOARD FINANCIAL ASSISTANCE EVALUATION

SYSTEM NAME: Community Water Company
 COUNTY: Summit
 PROJECT DESCRIPTION: water line replacement, treatment plan upgrade

FUNDING SOURCE: Federal SRF

100 % Loan & 0 % P.F.

ESTIMATED POPULATION:	505	NO. OF CONNECTIONS:	549 *	SYSTEM RATING:	APPROVED
CURRENT AVG WATER BILL:	\$33.93 *			PROJECT TOTAL:	\$3,662,000
CURRENT % OF AGI:	0.52%	FINANCIAL PTS:	26	LOAN AMOUNT:	\$3,662,000
ESTIMATED MEDIAN AGI:	\$78,670			PRINC. FORGIVE.:	\$0
STATE AGI:	\$43,196			TOTAL REQUEST:	\$3,662,000
SYSTEM % OF STATE AGI:	182%				

	@ ZERO % RATE 0%	@ RBBI MKT RATE 4.17%		AFTER REPAYMENT PENALTY & POINTS 3.39%
<u>SYSTEM</u>				
ASSUMED LENGTH OF DEBT, YRS:	20	20		20
ASSUMED NET EFFECTIVE INT. RATE:	0.00%	4.17%		3.39%
REQUIRED DEBT SERVICE:	\$183,100.00	\$273,528.16		\$255,104.37
*PARTIAL COVERAGE (15%):	\$27,465.00	\$41,029.22		\$38,265.66
*ADD. COVERAGE AND RESERVE (10%):	\$18,310.00	\$27,352.82		\$25,510.44
ANNUAL NEW DEBT PER CONNECTION:	\$416.89	\$622.79		\$580.84
O & M + FUNDED DEPRECIATION:	\$300,990.00	\$300,990.00		\$300,990.00
OTHER DEBT + COVERAGE:	\$0.00	\$0.00		\$0.00
REPLACEMENT RESERVE ACCOUNT:	\$0.00	\$0.00		\$0.00
ANNUAL EXPENSES PER CONNECTION:	\$548.25	\$548.25		\$548.25
TOTAL SYSTEM EXPENSES	\$529,865.00	\$642,900.21		\$619,870.46
TAX REVENUE:	\$6,000.00	\$6,000.00		\$6,000.00
<u>RESIDENCE</u>				
MONTHLY NEEDED WATER BILL:	\$80.43	\$97.59		\$94.09
% OF ADJUSTED GROSS INCOME:	1.23%	1.49%		1.44%

* Equivalent Residential Connections

R309-700-5

Community Water Company
Summit
March 27, 2017

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	X
G. Over \$10,000	0	
	\$6,670	
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	
F. Greater than 150% of State Median AGI	0	X
	182%	
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	
e. Less than 2% of project funds	0	X
	0.0%	
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	
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	X
e. 0 to 1.00% of local median AGI	0	
	1.44%	
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	
B. Has a replacement fund equal to at least 15% or 20% of annual DW budget.	5	
C. Is creating or enhancing a regionalization plan	16	X
D. Has a rate structure encouraging conservation	6	X
TOTAL POINTS FOR FINANCIAL NEED	26	
TOTAL POSSIBLE POINTS FOR FINANCIAL NEED	100	

Community Water Company

PROPOSED BOND REPAYMENT SCHEDULE

100 % Loan & 0 % P.F.

PRINCIPAL	\$3,662,000.00	ANTICIPATED CLOSING DATE	01-Nov-17
INTEREST	3.39%	FIRST P&I PAYMENT DUE	01-Jan-19
TERM	20	REVENUE BOND	
NOMIN. PAYMENT	\$255,104.37	PRINC. FORGIVE.:	\$0.00

YEAR	BEGINNING BALANCE	DATE OF PAYMENT	PAYMENT	PRINCIPAL	INTEREST	ENDING BALANCE	PAYM NO.
2018	\$3,662,000.00		\$20,690.30 *	\$0.00	\$20,690.30	\$3,662,000.00	0
2019	\$3,662,000.00		\$255,141.80	\$131,000.00	\$124,141.80	\$3,531,000.00	1
2020	\$3,531,000.00		\$254,700.90	\$135,000.00	\$119,700.90	\$3,396,000.00	2
2021	\$3,396,000.00		\$255,124.40	\$140,000.00	\$115,124.40	\$3,256,000.00	3
2022	\$3,256,000.00		\$255,378.40	\$145,000.00	\$110,378.40	\$3,111,000.00	4
2023	\$3,111,000.00		\$255,462.90	\$150,000.00	\$105,462.90	\$2,961,000.00	5
2024	\$2,961,000.00		\$255,377.90	\$155,000.00	\$100,377.90	\$2,806,000.00	6
2025	\$2,806,000.00		\$255,123.40	\$160,000.00	\$95,123.40	\$2,646,000.00	7
2026	\$2,646,000.00		\$254,699.40	\$165,000.00	\$89,699.40	\$2,481,000.00	8
2027	\$2,481,000.00		\$255,105.90	\$171,000.00	\$84,105.90	\$2,310,000.00	9
2028	\$2,310,000.00		\$255,309.00	\$177,000.00	\$78,309.00	\$2,133,000.00	10
2029	\$2,133,000.00		\$255,308.70	\$183,000.00	\$72,308.70	\$1,950,000.00	11
2030	\$1,950,000.00		\$255,105.00	\$189,000.00	\$66,105.00	\$1,761,000.00	12
2031	\$1,761,000.00		\$254,697.90	\$195,000.00	\$59,697.90	\$1,566,000.00	13
2032	\$1,566,000.00		\$255,087.40	\$202,000.00	\$53,087.40	\$1,364,000.00	14
2033	\$1,364,000.00		\$255,239.60	\$209,000.00	\$46,239.60	\$1,155,000.00	15
2034	\$1,155,000.00		\$255,154.50	\$216,000.00	\$39,154.50	\$939,000.00	16
2035	\$939,000.00		\$254,832.10	\$223,000.00	\$31,832.10	\$716,000.00	17
2036	\$716,000.00		\$255,272.40	\$231,000.00	\$24,272.40	\$485,000.00	18
2037	\$485,000.00		\$254,441.50	\$238,000.00	\$16,441.50	\$247,000.00	19
2038	\$247,000.00		\$255,373.30	\$247,000.00	\$8,373.30	\$0.00	20
			\$5,122,626.70	\$3,662,000.00	\$1,460,626.70		

*Interest Only Payment

Community Water Company

DWB Loan Terms

Local Share (total):	\$	-
Other Agency Funding:	\$	-
DWB Grant Amount:	\$	-
DWB Loan Amount:	\$	3,662,000
DWB Loan Term:		20
DWB Loan Interest:		3.39%
DWB Loan Payment:	\$	255,104

DW Expenses (Estimated)

Proposed Facility Capital Cost:	\$	3,698,620
Existing Facility O&M Expense:	\$	300,990
Proposed Facility O&M Expense:	\$	300,990
O&M Inflation Factor:		1.0%
Existing Debt Service:	\$	-

DW Revenue Sources (Projected)

Beginning Cash:	\$	-
Existing Customers (ERC):		549
Projected Growth Rate:		1.0%
Impact Fee/Connection Fee:	\$	5,000
Current Monthly User Charge:	\$	33.93
Needed Average Monthly User Charge:	\$	94.09

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%	5	549	223,561	25,000	6,000	254,561	-	-	3,662,000	-	-	-	300,990	300,990	-
1	1.0%	5	554	625,516	25,000	6,000	656,516	255,142	25,510	3,531,000	131,000	124,142	-	300,990	581,642	1.39
2	1.0%	6	560	632,290	30,000	6,000	668,290	254,701	25,510	3,396,000	135,000	119,701	-	304,000	584,211	1.43
3	1.0%	6	566	639,065	30,000	6,000	675,065	255,124	25,510	3,256,000	140,000	115,124	-	307,040	587,675	1.44
4	1.0%	5	571	644,710	25,000	6,000	675,710	255,378	25,510	3,111,000	145,000	110,378	-	310,110	590,999	1.43
5	1.0%	6	577	651,485	30,000	6,000	687,485	255,463	25,510	2,961,000	150,000	105,463	-	313,211	594,185	1.47
6	1.0%	6	583	658,260	30,000	6,000	694,260	255,378	25,510	2,806,000	155,000	100,378	-	316,344	597,232	1.48
7	1.0%	6	589	665,034	30,000	6,000	701,034	255,123	25,510	2,646,000	160,000	95,123	-	319,507	600,141	1.50
8	1.0%	5	594	670,680	25,000	6,000	701,680	254,699	25,510	2,481,000	165,000	89,699	-	322,702	602,912	1.49
9	1.0%	6	600	677,454	30,000	6,000	713,454	255,106	25,510	2,310,000	171,000	84,106	-	325,929	606,545	1.52
10	1.0%	6	606	684,229	30,000	6,000	720,229	255,309	25,510	2,133,000	177,000	78,309	-	329,188	610,008	1.53
11	1.0%	7	613	692,132	35,000	6,000	733,132	255,309		1,950,000	183,000	72,309	-	332,480	587,789	1.57
12	1.0%	6	619	698,907	30,000	6,000	734,907	255,105		1,761,000	189,000	66,105	-	335,805	590,910	1.56
13	1.0%	6	625	705,681	30,000	6,000	741,681	254,698		1,566,000	195,000	59,698	-	339,163	593,861	1.58
14	1.0%	6	631	712,456	30,000	6,000	748,456	255,087		1,364,000	202,000	53,087	-	342,555	597,642	1.59
15	1.0%	6	637	719,230	30,000	6,000	755,230	255,240		1,155,000	209,000	46,240	-	345,980	601,220	1.60
16	1.0%	7	644	727,134	35,000	6,000	768,134	255,155		939,000	216,000	39,155	-	349,440	604,595	1.64
17	1.0%	6	650	733,909	30,000	6,000	769,909	254,832		716,000	223,000	31,832	-	352,934	607,767	1.64
18	1.0%	7	657	741,812	35,000	6,000	782,812	255,272		485,000	231,000	24,272	-	356,464	611,736	1.67
19	1.0%	6	663	748,587	30,000	6,000	784,587	254,442		247,000	238,000	16,442	-	360,028	614,470	1.67
20	1.0%	7	670	756,490	35,000	6,000	797,490	255,373		-	247,000	8,373	-	363,629	619,002	1.70

Total Paid in Debt Service = 3,662,000 1,439,936

Agenda Item

5(C)(ii)(h)

**DRINKING WATER BOARD
BOARD PACKET FOR CONSTRUCTION ASSISTANCE**

APPLICANT’S REQUEST:

Cedarview-Montwell Special Service District (CMSSD) is requesting \$2,309,000 in financial assistance to obtain numerous easements on Native American land and to refinance an existing 2013 Bond from the Drinking Water Board. These easements are necessary for CMSSD to provide connections to those in the Neola north service area which would add approximately 100 new connections to the system and as many as 450 connections when the entire service area is connected. The cost of negotiating and obtaining these easements, including legal/bonding costs is estimated to be \$355,000.

STAFF COMMENTS:

The Drinking Water Board (DWB) authorized funding on July 17, 2012 to CMSSD to build a new water system comprising nearly 100,000 linear feet of waterline and two storage tanks. The total DWB bond amount was \$2,128,000 with an interest rate of 2.43% and a graduated repayment schedule. The loan was closed on December 5, 2013 and the first phase of the project is now essentially complete and there are 59 active connections. The District has been unable to obtain the number of connections originally anticipated and the current graduated repayment schedule creates a financial burden that places the District at risk of being unable to make the annual repayments.

The local MAGI for CMSSD is \$50,223 (116% of the State MAGI) and the estimated monthly water bill is currently \$125.38 (3% of the local MAGI) which makes them eligible for additional subsidy. Current water system income consists of revenue from monthly water bills, property taxes, connection fees and grants. The system is currently operating at a negative cash flow and this project will not immediately increase the number of connections. However, by obtaining these easements at one time, it should reduce costs and expedite the addition of new connections in the future and refinancing the 2013 Bond at a lower interest rate with no graduated repayments will improve the District’s ability to repay.

Option	Grant/PF	Loan	Required Water Bill	% MAGI	Required Water Bill w/Property Tax	% MAGI w/Property Tax
1		\$2,309,000 (0.25%)	\$249.79	5.97%	\$90.48	2.16%
2	\$82,000	\$2,227,000 (0.50%)	\$249.70	5.97%	\$90.39	2.16%

The District brings in nearly 75% of their revenue from property taxes. Staff has provided what the required water bill would be if the costs were only borne by those connected, and what the required water bill would be including the property tax revenue.

FINANCIAL ASSISTANCE COMMITTEE RECOMMENDATION:

The Drinking Water Board authorize a refinance of the existing 2013 Drinking Water bond and authorize new funding for the acquisition of easements and preliminary design. The Financial Assistance Committee recommends a loan of \$2,309,000 at 0.25% with a term of 28 years and no loan origination fee.

APPLICANT'S LOCATION:

Cedarview-Montwell Special Service District is located in Duchesne County between Roosevelt City and Neola.

MAP OF APPLICANT'S LOCATION:



UPDATE:

Cedarview-Montwell Special Service District's initial funding request was presented and approved by the Drinking Water Board's Financial Assistance Committee on December 14, 2016. At that time staff's recommendation was for the Board to approve the funding request to obtain the easements and to refinance the 2013 bond at a lower interest of 1.38% for 28 years. That recommendation was calculated to provide CMSSD the necessary funding but would also keep the annual repayments the same. The funding request was then presented to the Drinking Water Board on January 13, 2017. At that meeting, CMSSD brought up the fact that the existing bond and the graduated repayments were a significant financial burden, and since they'd not obtained the anticipated number of connections, their ability to repay the escalating payments was at risk.

The Board tabled making a decision at that time in order to provide CMSSD the opportunity to revise their funding request and to allow staff the time to re-analyze the financial model and to revise staff's recommendation.

On February 2, 2017, the Permanent Community Impact Board (CIB) authorized a grant of \$165,000 to CMSSD to help fund this project.

PROJECT BACKGROUND:

The Drinking Water Board authorized funding to CMSSD on July 17, 2012 for the construction of a new water system. This project is the first phase of a multi-phase project to connect up to 450 residences in the area north west of Roosevelt and the area surrounding the Neola Water and Sewer Improvement District. This project included the installation of nearly 100,000 linear feet of waterline and the construction of two storage tanks. The approved funding package consisted of a \$2,128,000 loan at 2.43% with a term of 30 years with a graduated repayment schedule and principal forgiveness of \$538,000. The loan for this project was closed on December 5, 2013 and this phase of the project is now essentially complete.

CMSSD currently has 59 connections which is significantly less than the 100 connections which were initially anticipated. During construction, there were difficulties with the performance of the contractor which hampered progress and ultimately resulted in far fewer connections. CMSSD and the contractor have since settled litigation and CMSSD continues to work towards increasing the number of active connections. The next phase of the project is to provide service to the North Neola area which should result in at least another 100 connections and eventually 450 connections when the entire service area is connected.

The North Neola phase has the highest population density in the remainder of the service area and will provide water efficiently to many of the homes currently on private wells. However, the CMSSD service area includes many parcels of Native American land which are situated all throughout the service area (see Diagram 1). Access to the North Neola area will require numerous crossings of Native American land and the process of obtaining easements across Native American land routinely takes three to four years and will require extensive negotiation and collaboration with the Ute Tribe and the United States Department of the Interior, Bureau of Indian Affairs (BIA).

The BIA process requires full NEPA for easements on Native American land and the development of an agreement between CMSSD and the Ute Tribe. This process also requires a survey and yellow book appraisals of each parcel. If the necessary individual easements were to be obtained on an individual as-needed basis, this process would need to be replicated many times over and would delay access to these critical connections for years. CMSSD is therefore seeking to obtain all the necessary tribal easements at one time in order to significantly reduce cost and minimize future delays. There have also been issues of water quality in the wells located at tribal homes in the North Neola area and the Ute Tribe is motivated to address these concerns.

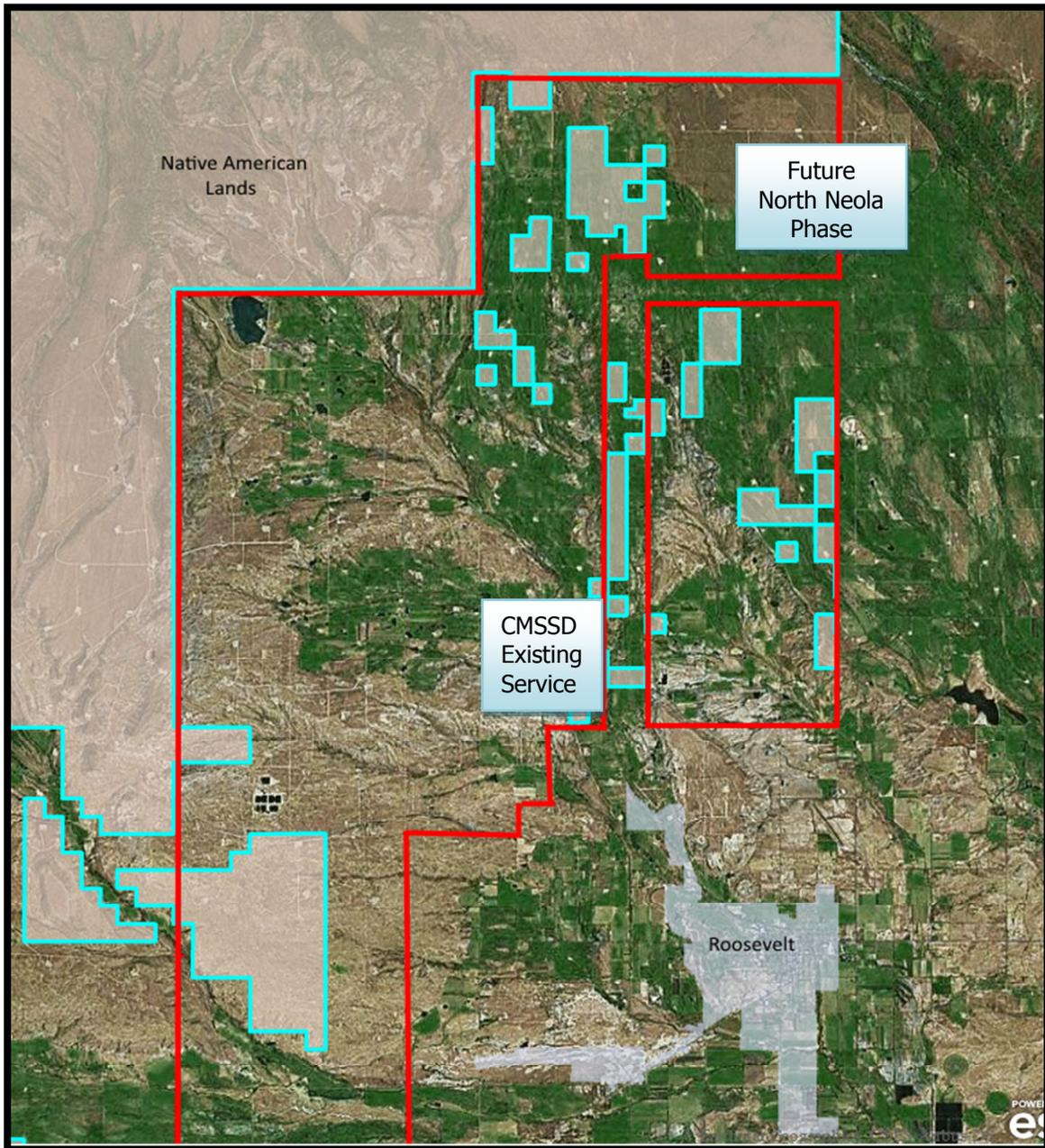
These connections in the North Neola area are critical for CMSSD to improve their cash flow position, and without them they will need to significantly raise water bills on existing connections to a rate well above what the Drinking Water Board has historically considered affordable (1.75% of MAGI). The existing 2013 bond, even with a graduated repayment schedule, has a required monthly water bill of \$185.83 which is 4.44% of the local MAGI. Any additional debt would burden an already financially burdened system.

Staff has worked with CMSSD to prepare a funding package based on CMSSD's stated ability to repay. Using revenue from property taxes and existing connections, CMSSD states they will be able to repay an annual debt obligation of up to \$100,000 per year.

PROJECT DESCRIPTION:

CMSSD will acquire the necessary easements to provide water service to the remaining unconnected residences in the service area. Should there be any remaining funds available after the easements are obtained, CMSSD will fund the preliminary engineering design for these additional connections.

Diagram 1



— CMSSD Service Area Boundary

— Native American Lands

POPULATION GROWTH:

According to the State of Utah Governor’s Office of Management & Budget, the anticipated growth rate for Duchesne County is approximately 0.8% per year over the next 30 years.

	<u>Year</u>	<u>County Population</u>	<u>CMSSD Service Area Population</u>	<u>CMMSD Connections</u>
Current:	2016	21,035	1,750	59
Projected:	2045	26,413	2,205	450

IMPLEMENTATION SCHEDULE:

Apply to DWB for Funds:	November 2016
Apply to CIB for Funds	December 8, 2016
DWB Funding Authorization:	May 2017
DWB Loan Closing	June 2017
Completion of Work	January 2020

COST ESTIMATE:

Easement Acquisition Related Costs

Legal/Bonding	\$ 25,000
Rights of Way & Easements	\$ 39,000
Federal Appraisal of Tribal Lands	\$ 105,000
Bureau of Indian Affairs and Tribal Coordination	\$ 30,000
Environmental Clearances	\$ 52,000
Tribal Negotiation and Agreement	\$ 26,000
Tribal/BIA Process Contingency	\$ 43,000
Engineering Planning	\$ 35,000
Total	\$ 355,000

Total Project Costs

Easement Acquisition Costs	\$ 355,000
Repay Existing Balance of 2013 Bond	\$ 2,119,000
Total	\$ 2,474,000

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	\$ 2,309,000	93%
CIB	\$ 165,000	7%
	\$ 2,474,000	100%

APPLICANT: Cedarview-Montwell Special Service District
270 North 500 West
Roosevelt, UT 84066
435-823-4578

PRESIDING OFFICIAL &
CONTACT PERSON: Susan Lemon, Office Manager
270 North 500 West
Roosevelt, UT 84066
435-823-4578
cmssd@stratanet.com

TREASURER/RECORDER: Susan Lemon, Office Manager
270 North 500 West
Roosevelt, UT 84066
435-823-4578
cmssd@stratanet.com

CONSULTING ENGINEER: Aaron Averett, P.E.
Sunrise Engineering
363 East Main Street, Suite 201
Vernal, UT 84078
801-367-9251
aaverett@sunrise-eng.com

DRINKING WATER BOARD FINANCIAL ASSISTANCE EVALUATION

SYSTEM NAME: Cedarview-Montwell Special Service District FUNDING SOURCE: Federal SRF
 COUNTY: Duchesne
 PROJECT DESCRIPTION: Acquisition of Easements on Tribal Property and Refinance 2013 Bond

100 % Loan & 0 % P.F.

ESTIMATED POPULATION:	1,750	NO. OF CONNECTIONS:	59 *	SYSTEM RATING:	APPROVED
CURRENT AVG WATER BILL:	\$112.78 *			PROJECT TOTAL:	\$2,474,000
CURRENT % OF AGI:	2.69%	FINANCIAL PTS:	38	LOAN AMOUNT:	\$2,309,000
ESTIMATED MEDIAN AGI:	\$50,223			PRINC. FORGIVE.:	\$0
STATE AGI:	\$43,196			TOTAL REQUEST:	\$2,309,000
SYSTEM % OF STATE AGI:	116%				

	@ ZERO % RATE	@ RBBI MKT RATE		@ 0.25%
SYSTEM	0%	3.44%		0.25%
ASSUMED LENGTH OF DEBT, YRS:	28	28		28
ASSUMED NET EFFECTIVE INT. RATE:	0.00%	3.44%		0.25%
REQUIRED DEBT SERVICE:	\$82,464.29	\$129,766.08		\$85,487.20
*PARTIAL COVERAGE (15%):	\$12,369.64	\$19,464.91		\$12,823.08
*ADD. COVERAGE AND RESERVE (10%):	\$0.00	\$0.00		\$0.00
ANNUAL NEW DEBT PER CONNECTION:	\$1,607.35	\$2,529.34		\$1,666.28
O & M + FUNDED DEPRECIATION:	\$75,000.00	\$75,000.00		\$75,000.00
OTHER DEBT + COVERAGE:	\$0.00	\$0.00		\$0.00
REPLACEMENT RESERVE ACCOUNT ¹	\$0.00	\$0.00		\$0.00
ANNUAL EXPENSES PER CONNECTION:	\$1,271.19	\$1,271.19		\$1,271.19
TOTAL SYSTEM EXPENSES	\$169,833.93	\$224,230.99		\$173,310.28
TAX REVENUE:	\$136,000.00	\$136,000.00		\$136,000.00
RESIDENCE				
MONTHLY NEEDED WATER BILL:	\$244.88	\$321.71		\$249.79
% OF ADJUSTED GROSS INCOME:	5.85%	7.69%		5.97%

* Equivalent Residential Connections

R309-700-5

Cedarview-Montwell Special Service District
 Duchesne
 November 14, 2016

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
	\$41,932	
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	X
E. 131 to 150% of State Median AGI	3	
F. Greater than 150% of State Median AGI	0	
	116%	
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	
e. Less than 2% of project funds	0	X
	0.0%	
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	
	5.85%	
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	
B. Has a replacement fund equal to at least 15% or 20% of annual DW budget.	5	
C. Is creating or enhancing a regionalization plan	16	X
D. Has a rate structure encouraging conservation	6	
TOTAL POINTS FOR FINANCIAL NEED	38	
TOTAL POSSIBLE POINTS FOR FINANCIAL NEED	100	

Cedarview-Montwell Special Service District

PROPOSED BOND REPAYMENT SCHEDULE

100 % Loan \$190,000, Refinance 2013 Bond (\$2,119,000)

PRINCIPAL	\$2,309,000.00	ANTICIPATED CLOSING DATE	01-Jun-17
INTEREST	0.25%	FIRST P&I PAYMENT DUE	01-Jul-17
TERM	28	REVENUE BOND	
NOMIN. PAYMENT	\$85,487.00	PRINC. FORGIVE.:	\$0.00

YEAR	BEGINNING BALANCE	DATE OF PAYMENT	PAYMENT	PRINCIPAL	INTEREST	ENDING BALANCE	PAYM NO.
2017	\$2,309,000	01-Jul-17	79,481.04	\$79,000	\$481.04	\$2,230,000	1
2018	\$2,230,000	01-Jul-18	85,575.00	\$80,000	\$5,575.00	\$2,150,000	2
2019	\$2,150,000	01-Jul-19	85,375.00	\$80,000	\$5,375.00	\$2,070,000	3
2020	\$2,070,000	01-Jul-20	85,175.00	\$80,000	\$5,175.00	\$1,990,000	4
2021	\$1,990,000	01-Jul-21	85,975.00	\$81,000	\$4,975.00	\$1,909,000	5
2022	\$1,909,000	01-Jul-22	85,772.50	\$81,000	\$4,772.50	\$1,828,000	6
2023	\$1,828,000	01-Jul-23	85,570.00	\$81,000	\$4,570.00	\$1,747,000	7
2024	\$1,747,000	01-Jul-24	85,367.50	\$81,000	\$4,367.50	\$1,666,000	8
2025	\$1,666,000	01-Jul-25	85,165.00	\$81,000	\$4,165.00	\$1,585,000	9
2026	\$1,585,000	01-Jul-26	85,962.50	\$82,000	\$3,962.50	\$1,503,000	10
2027	\$1,503,000	01-Jul-27	85,757.50	\$82,000	\$3,757.50	\$1,421,000	11
2028	\$1,421,000	01-Jul-28	85,552.50	\$82,000	\$3,552.50	\$1,339,000	12
2029	\$1,339,000	01-Jul-29	85,347.50	\$82,000	\$3,347.50	\$1,257,000	13
2030	\$1,257,000	01-Jul-30	85,142.50	\$82,000	\$3,142.50	\$1,175,000	14
2031	\$1,175,000	01-Jul-31	85,937.50	\$83,000	\$2,937.50	\$1,092,000	15
2032	\$1,092,000	01-Jul-32	85,730.00	\$83,000	\$2,730.00	\$1,009,000	16
2033	\$1,009,000	01-Jul-33	85,522.50	\$83,000	\$2,522.50	\$926,000	17
2034	\$926,000	01-Jul-34	85,315.00	\$83,000	\$2,315.00	\$843,000	18
2035	\$843,000	01-Jul-35	85,107.50	\$83,000	\$2,107.50	\$760,000	19
2036	\$760,000	01-Jul-36	85,900.00	\$84,000	\$1,900.00	\$676,000	20
2037	\$676,000	01-Jul-37	85,690.00	\$84,000	\$1,690.00	\$592,000	21
2038	\$592,000	01-Jul-38	85,480.00	\$84,000	\$1,480.00	\$508,000	22
2039	\$508,000	01-Jul-39	85,270.00	\$84,000	\$1,270.00	\$424,000	23
2040	\$424,000	01-Jul-40	85,060.00	\$84,000	\$1,060.00	\$340,000	24
2041	\$340,000	01-Jul-41	85,850.00	\$85,000	\$850.00	\$255,000	25
2042	\$255,000	01-Jul-42	85,637.50	\$85,000	\$637.50	\$170,000	26
2043	\$170,000	01-Jul-43	85,425.00	\$85,000	\$425.00	\$85,000	27
2044	\$85,000	01-Jul-44	85,212.50	\$85,000	\$212.50	\$0	28
			2,388,356.04	\$2,309,000	\$79,356.04		

Cedarview-Montwell Special Service District

DWB Loan Terms	
Local Share (total):	\$ -
CIB Grant	\$ 165,000
DWB Grant Amount:	\$ -
DWB Loan Amount:	\$ 2,309,000
DWB Loan Term:	28
DWB Loan Interest:	0.25%
DWB Loan Payment:	\$ 85,487

DW Expenses (Estimated)	
Proposed Facility Capital Cost:	\$ 2,474,000
Existing Facility O&M Expense:	\$ 75,000
Proposed Facility O&M Expense:	\$ 75,000
O&M Inflation Factor:	1.0%
Existing Debt Service:	\$ -

DW Revenue Sources (Projected)	
Beginning Cash:	\$ -
Existing Customers (ERC):	59
Projected Growth Rate (0.8%):	0.4%
2015 MAGI	\$50,223
Impact Fee/Connection Fee:	\$ -
Current Monthly User Charge:	\$ 112.78
Needed Average Monthly User Charge:	\$ 310.38
Annual Revenue from Property Taxes	\$ 136,000

DW Revenue Projections

Yr	Annual	Total	Connection				DWB Loan	DWB Loan	Remaining	Principal	Interest	O&M	Total	Debt	Monthly
	Growth	Users	User Charge	Fee	Property Tax	Total									
	(ERC)	(ERC)	Revenue	Revenue	Revenue	Revenue								Ratio	as % of MAGI
2014	0	0	0	63,000	136,000	199,000	51,710	-	2,128,000	-	51,710	-	173,310	-	-
2015	0	0	0	63,000	136,000	199,000	60,710	-	2,128,000	9,000	51,710	-	174,060	-	-
2016	0	50	67,667	63,000	136,000	266,667	60,492	-	2,119,000	9,000	51,492	-	176,356	-	-
2017	9	59	79,847	-	137,360	217,207	85,487	12,823	2,229,286	79,714	5,773	75,000	173,310	1.66	5.97%
2018	5	64	86,613	-	138,734	225,347	85,487	12,823	2,149,372	79,914	5,573	75,750	174,060	1.75	5.53%
2019	5	69	93,380	-	140,121	233,501	85,487	12,823	2,069,257	80,114	5,373	76,508	174,818	1.84	5.16%
2020	5	74	100,147	-	141,522	241,669	85,487	12,823	1,988,943	80,314	5,173	77,273	175,583	1.92	4.84%
2021	5	79	106,913	-	142,937	249,851	85,487	12,823	1,908,428	80,515	4,972	78,045	176,356	2.01	4.56%
2022	5	84	113,680	-	144,367	258,047	85,487	12,823	1,827,712	80,716	4,771	78,826	177,136	2.10	4.32%
2023	5	89	120,447	-	145,810	266,257	85,487	12,823	1,746,794	80,918	4,569	79,614	177,924	2.18	4.10%
2024	5	94	127,213	-	147,269	274,482	85,487	12,823	1,665,673	81,120	4,367	80,410	178,720	2.27	3.91%
2025	5	99	133,980	-	148,741	282,721	85,487	12,823	1,584,350	81,323	4,164	81,214	179,525	2.36	3.73%
2026	5	104	140,747	-	150,229	290,975	85,487	12,823	1,502,824	81,526	3,961	82,026	180,337	2.44	3.57%
2027	5	109	147,513	-	151,731	299,244	85,487		1,421,094	81,730	3,757	82,847	168,334	2.53	3.19%
2028	5	114	154,280	-	153,248	307,528	85,487		1,339,160	81,934	3,553	83,675	169,162	2.62	3.07%
2029	5	119	161,047	-	154,781	315,827	85,487		1,257,020	82,139	3,348	84,512	169,999	2.71	2.96%
2030	5	124	167,813	-	156,328	324,142	85,487		1,174,676	82,344	3,143	85,357	170,844	2.79	2.86%
2031	5	129	174,580	-	157,892	332,472	85,487		1,092,126	82,550	2,937	86,211	171,698	2.88	2.77%
2032	5	134	181,347	-	159,471	340,817	85,487		1,009,369	82,757	2,730	87,073	172,560	2.97	2.68%
2033	5	139	188,113	-	161,065	349,179	85,487		926,405	82,964	2,523	87,943	173,431	3.06	2.60%
2034	5	144	194,880	-	162,676	357,556	85,487		843,233	83,171	2,316	88,823	174,310	3.14	2.53%
2035	5	149	201,647	-	164,303	365,949	85,487		759,854	83,379	2,108	89,711	175,198	3.23	2.46%
2036	5	154	208,413	-	165,946	374,359	85,487		676,267	83,587	1,900	90,608	176,095	3.32	2.40%
2037	5	159	215,180	-	167,605	382,785	85,487		592,471	83,796	1,691	91,514	177,001	3.41	2.34%
2038	5	164	221,947	-	169,281	391,228	85,487		508,465	84,006	1,481	92,429	177,917	3.50	2.28%
2039	5	169	228,713	-	170,974	399,688	85,487		424,248	84,216	1,271	93,354	178,841	3.58	2.23%
2040	5	174	235,480	-	172,684	408,164	85,487		339,822	84,426	1,061	94,287	179,774	3.67	2.18%
2041	5	179	242,247	-	174,411	416,657	85,487		255,185	84,637	850	95,230	180,717	3.76	2.13%
2042	5	184	249,013	-	176,155	425,168	85,487		170,336	84,849	638	96,182	181,670	3.85	2.09%
2043	5	269	364,047	-	177,916	541,963	85,487		85,275	85,061	426	97,144	182,631	5.20	1.47%
2044	5	279	377,580	-	179,696	557,276	85,487		0	85,274	213	98,116	183,603	5.37	1.43%
									<u>2,393,642</u>		<u>2,309,000</u>	<u>84,642</u>			

Agenda Item

5(C)(iii)(a)

DRINKING WATER BOARD
BOARD PACKET FOR CONSTRUCTION LOAN

APPLICANT'S REQUEST:

Plymouth Town is requesting that the Board authorize an expansion of the project scope for their existing project. Plymouth Town has funds remaining (\$176,000) after the completion of their primary project and would like to redevelop one of their springs (the Tunnel Spring). The Town has been assessed deficiency points for having deep rooted vegetation in this spring collection area and for the lack of impervious soil cover. The engineer's estimate of probable cost for this spring redevelopment project, including engineering, is \$116,000.

STAFF COMMENTS:

On May 8, 2015, the Drinking Water Board authorized funding to Plymouth Town for the construction of a new 500,000 gallon water tank to provide adequate storage and fire protection. The funding authorization was for a loan of \$880,000 at 3.49% for 30 years, with the condition that the Town resolve all the issues on their compliance report. Plymouth Town has completed construction on the new tank and it is currently operational.

STAFF RECOMMENDATION:

Staff recommends the Drinking Water Board authorize a change to the project scope for Plymouth Town to include spring redevelopment.

Agenda Item

7(A)



**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 8**

1595 Wynkoop Street
Denver, CO 80202-1129
Phone 800-227-8917
www.epa.gov/region8

JAN 13 2017

Ref: 8WP-SDB

Sydnee Dickson
Superintendent of Public Instruction
Utah State Office of Education
250 East 500 South
Salt Lake City, Utah 84111

RECEIVED

JAN 23 2017

Drinking Water

Re: Reducing Lead in Drinking Water - Resources for Schools

Dear Superintendent Dickson:

The mission of the U.S. Environmental Protection Agency is to protect public health and the environment and one of our highest priorities is protecting the health of children where they live, learn and play. Providing safe drinking water at schools and educational facilities is a priority that I am sure we share. As the EPA Region 8 Assistant Regional Administrator for the Office of Water Protection, I am asking you to join me in taking action to reduce exposure to lead in drinking water in schools.

There is no safe level of lead exposure for children. Researchers have found that children can have adverse health effects when exposed to even the lowest levels of lead, so it is critical to prevent exposure. Infants, young children and pregnant women are at greatest risk. Health effects can include damage to the brain and kidneys, reduced IQ and other behavioral and neurological impairments. The effects of lead have been linked to reduced performance in schools. Ensuring lead-free drinking water in schools helps not only the at-risk child but the entire school community.

Lead primarily enters drinking water when the lead in plumbing materials is released into the water in the distribution system, especially if the water is corrosive and in contact with the plumbing materials for extended periods of time. The most common problems are with: lead pipes, lead service lines, brass or chrome-plated brass faucets, lead cooling chambers in chilled drinking water dispensers, and fixtures with lead solder from which significant amounts of lead can enter into the water, especially hot water. Buildings built before 1988 are more likely to have lead pipes or lead solder.

In addition to drinking water, children can be exposed to lead from paint, dust, soil, air, food, toys, and even candy. The EPA estimates that drinking water can contribute up to 20 percent of a person's total exposure to lead.

Unless a school is regulated as a public water supply under the EPA's Safe Drinking Water Act, the school is not required to test drinking water and report the results to the state. However, we strongly encourage schools that are not regulated water systems to take advantage of the EPA's voluntary program that guides school districts through the process of sampling for lead, communicating the results to parents, teachers and staff, and remediating any lead exceedances in a timely manner. The EPA has a

helpful program called 3Ts for Reducing Lead in Drinking Water in Schools and school districts have used it successfully to address many locations with lead in drinking water for the past ten years. The 3Ts fact sheet for public water suppliers is enclosed in this letter. The complete 3Ts Technical Guidance is provided as a website link as well. 3Ts stands for Training, Testing and Telling, and the guidance is accompanied by an online toolkit that helps with all aspects of the program. The guidance covers critical details such as developing a plumbing profile for your facility, water sampling procedures, short term and permanent remedies if lead is found, and techniques for disseminating public information and effective communication strategies.

We appreciate your desire to protect the health of children and young people of Utah and we hope you find this information helpful. We recommend that schools coordinate with their public water systems prior to taking on these activities and prior to sampling as they may have helpful information. If you have other questions or need additional information regarding the efforts to reduce lead in drinking water in schools in Utah, please contact Patti Fauver at the Utah Department of Environmental Quality Division of Drinking Water at (801) 536-4196 or pfauver@utah.gov. For general questions about reducing environmental contaminants in your schools, please contact the EPA Region 8 Children's Environmental Health and Schools Coordinator, Kim Bartels at (303) 312-6346 or bartels.kim@epa.gov.

Sincerely,



Darcy O'Connor
Assistant Regional Administrator
Office of Water Protection

Enclosures:

3Ts for Reducing Lead in Drinking Water: Fact Sheet for Public Water Suppliers

Website Links to Helpful Documents:

1. Frequently Asked Questions – Lead Exposure: The Risks and Remedies
https://www.epa.gov/sites/production/files/2015-09/documents/toolkit_leadschools_3ts_training_faqs.pdf
2. 3Ts Technical Guidance for Reducing Lead in Drinking Water in Schools
https://www.epa.gov/sites/production/files/2015-09/documents/toolkit_leadschools_guide_3ts_leadschools.pdf

cc: Ken Bousfield, P.E., Division Director, Division of Drinking Water, Utah Department of Environmental Quality
Patti Fauver, Rules Enforcement Manager, Division of Drinking Water, Utah Department of Environmental Quality
Mark Jones, Utah Department of Health, Bureau of Epidemiology
Chris Nelson, Utah Department of Health, Bureau of Epidemiology
Sam Lefevre, Utah Department of Health, Bureau of Epidemiology

Agenda Item 7(B)

	System Number	System Name	System Type	System Status	Rating	Rating Date	Population	Total IPS Points
1	UTAH23001	WEST ERDA IMPROVEMENT DISTRICT	Community	Active	Not Approved	8/19/1996	53	186
2	UTAH09084	JNB MARINE	Non-Community	Active	Not Approved	9/17/2002	36	30
3	UTAH09053	SKOOTS CREEK SUBDIVISION	Non-Community	Active	Not Approved	12/15/2004	82	127
4	UTAH01012	ARROWHEAD INVESTMENT INC	Non-Community	Active	Not Approved	9/29/2005	80	96
5	UTAH26071	DANIELS SUMMIT ESTATES	Non-Community	Active	Not Approved	1/31/2011	58	44
6	UTAH11012	ESCALANTE VALLEY HOUSING	Community	Active	Not Approved	4/20/2011	120	113
7	UTAH18139	BIG COTTONWOOD PINE TREE WATER CO INC.	Non-Community	Active	Not Approved	4/20/2011	74	80
8	UTAH26089	HEBER CITY KINGDOM HALL	Non-Community	Active	Not Approved	8/9/2012	50	221
9	UTAH09054	RED CANYON RV PARK	Non-Community	Active	Not Approved	4/9/2013	50	91
10	UTAH02069	SUNSET PARK WATER CO.	Community	Active	Not Approved	5/29/2013	44	171
11	UTAH25119	WHITE HILLS SUBDIVISION	Community	Active	Not Approved	5/29/2013	419	96
12	UTAH20034	MOUNTAIN VIEW COMMUNITY PARK LLC	Non-Community	Active	Not Approved	4/2/2014	38	98
13	UTAH26074	SOAPSTONE SUMMER HOMES	Non-Community	Active	Not Approved	4/3/2014	110	155
14	UTAH13044	ZION PONDEROSA RANCH CABINS	Non-Community	Active	Not Approved	11/10/2014	208	365
15	UTAH04052	MADSEN BAY SUBDIVISION	Non-Community	Active	Not Approved	12/2/2014	30	123
16	UTAH24016	IRON SPRINGS CAMPGROUND	Non-Community	Active	Not Approved	5/4/2015	75	11
17	UTAH03042	PIONEER-SHENOAH CAMPGROUND	Non-Community	Active	Not Approved	5/4/2015	150	20
18	UTAH23028	DELLE AUTO TRUCK STOP	Non-Community	Active	Not Approved	6/29/2015	29	140
19	UTAH15001	CROYDON PIPELINE CORPORATION	Community	Active	Not Approved	7/7/2015	83	110
20	UTAH15007	MONTE VERDE	Community	Active	Not Approved	8/11/2015	78	-19
21	UTAH03116	MT STERLING RECREATION CAMP	Non-Community	Active	Not Approved	9/3/2015	200	-15
22	UTAH27086	NORTH VALLEY RANCHES SUB	Community	Active	Not Approved	11/19/2015	25	291
23	UTAH13054	RANCH AT ZION	Non-Community	Active	Not Approved	11/19/2015	201	340
24	UTAH12004	EUREKA TOWN	Community	Active	Not Approved	3/31/2016	760	70
25	UTAH17008	WOODRUFF TOWN WATER SYSTEM	Community	Active	Not Approved	3/31/2016	234	45
26	UTAH09034	BEAR PAW LAKEVIEW RESORT	Non-Community	Active	Not Approved	3/31/2016	80	132
27	UTAH06008	WEBER BASIN JOB CORPS	Community	Active	Not Approved	6/15/2016	305	250
28	UTAH15015	MOUNTAIN GREEN WATER ASSOCIATION	Community	Active	Not Approved	6/15/2016	60	52
29	UTAH25147	CHRISTIAN LIFE ASSEMBLY	Non-Community	Active	Not Approved	6/15/2016	100	103
30	UTAH22022	CAMPERWORLD - KNOTTY PINE	Non-Community	Active	Not Approved	6/15/2016	354	105
31	UTAH16012	OTTER CREEK RV PARK	Non-Community	Active	Not Approved	11/3/2016	40	135
32	UTAH07039	CAMPERWORLD - LAKESIDE PARK	Non-Community	Active	Not Approved	11/3/2016	28	251
33	UTAH22094	PARK CITY MOUNTAIN RESORT	Non-Community	Active	Not Approved	11/3/2016	1050	170
34	UTAH03076	SHERWOOD HILLS RESORT	Non-Transient	Active	Not Approved	11/3/2016	75	95
35	UTAH29085	SPRING MOUNTAIN MUTUAL WATER CO	Community	Active	Not Approved	4/18/2017	85	150
36	UTAH11043	OLD MEADOWS WATER CO.	Community	Active	Not Approved	4/18/2017	48	269
37	UTAH25042	BLACKHAWK CAMPGROUND	Non-Community	Active	Not Approved	4/18/2017	25	185

	<i>System Number</i>	<i>System Name</i>	<i>System Type</i>	<i>System Status</i>	<i>Rating</i>	<i>Rating Date</i>	<i>Population</i>	<i>Total IPS Points</i>
38	UTAH10034	ARCHVIEW RESORT CAMPGROUND	Non-Community	Active	Not Approved	4/18/2017	506	225
39	UTAH26018	WOLF CREEK CAMPGROUND	Non-Community	Active	Not Approved	4/18/2017	50	100
40	UTAH25041	BALSAM CAMPGROUND	Non-Community	Active	Not Approved	4/18/2017	25	120
41	UTAH11038	RAINBOW MEADOW RANCHOS	Non-Community	Active	Not Approved	4/18/2017	75	120
42	UTAH20066	MOUNTAIN DELL SCOUT RANCH	Non-Community	Active	Not Approved	4/18/2017	580	55
43	UTAH20056	CAMPERWORLD - MT PLEASANT	Non-Transient	Active	Not Approved	4/27/2017	182	125