



State of Utah

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Environmental Quality

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DIVISION OF WATER QUALITY  
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**MEMORANDUM**

**TO:** Utah Water Quality Board

**THROUGH:** John K. Mackey, PE

**FROM:** Engineering Section

**DATE:** September 21, 2023

**SUBJECT:** Finance Committee Meeting – FY 2024 Funding Requests

**BACKGROUND**

Due to limited fund balances the Water Quality Board has moved from bringing projects in on a first come first serve basis, to reviewing projects in batches. Applications over the past few years have exceeded available fund balances necessitating the need for the Finance Committee to meet and discuss options with staff. This meeting is used to help form staff recommendations that utilize the available funds in a way to best support the interest of Utah's water quality.

Over the past two years congressionally directed spending has utilized a portion of the base capitalization grant and directed it to projects outside of the SRF program. Due to uncertainty that this causes, Staff no longer projects future funds coming from the base capitalization grant until we receive notification on the actual amount that we are going to receive.

It should be noted that Lewiston City and South Davis Sewer District (SDSD) have previously been authorized for funding packages for alternative projects. The previous projects will need to be deauthorized in conjunction with Board authorizations of the alternative projects.

**EQUIVALENCY REQUIREMENTS**

Current" equivalency requirements" (sometimes internally referred to as "First Round" funding) are Build America, Buy America (BABA), American Iron and Steel (AIS), Davis-Bacon wages, Disadvantaged Business Enterprises (DBE) and Environmental Review. As part of the award of the Capitalization Grant and General Supplemental Grants (collectively "Cap Grant") from EPA, the CWSRF program must award projects that comply with equivalency requirements as funding conditions.

In general, equivalency requirements are expected to be fulfilled within two years of the grant award. To ensure that we always meet “Cap Grant” and equivalency requirements, all projects are assumed to be receiving “Cap Grant” funds with the associated conditions attached. The principal exceptions here are some engineering services contracts and most emergency (reserve) projects. This is the best way to ensure that when loans are ready to close, all sources of funds (i.e., “Cap Grant”, UWLF, and loan repayment income) are available to the project and to consistently meet equivalency requirements.

### AVAILABLE BALANCES EVALUATION

Table 1 shows the funding available for financial assistance loans through the next five fiscal years. The amounts shown are based on the current Financial Status Report (Attachment 1), its combined cash balances and cash flows for the CWSRF (federal) and UWLF (state) funds, and including loan repayment and interest revenues. Future capitalization grants are not included in Table 1 due to amount uncertainty and certain equivalency constraints described above.

Table 1 provides several important insights about available funds. First, moving across the rows it is clear that the funds are sustainable to the tune of \$20 to \$30 million per year. It’s also clear that funding in the near term (FY24) is extremely limited. The main reason for that is that funds were committed to several large projects that are being built over several years (through FY25). This drew down non-Cap Grant funds that were available to advance loan closings without needing Cap Grant funds. Projects that will not draw funds until a later fiscal year have to draw on loan repayment funds only, which is the second row in Table 1.

The third row in Table 1, titled “Reserve,” is the \$5 million that the Board reserves for emergency projects. These funds are earmarked from the UWLF that does not carry equivalency requirement, making them much more accessible in urgent situations.

**Table 1: Available Loan Fund Balances (in millions)**

| <b>Funding Fiscal Year</b>                                                 | <b>FY24</b>  | <b>FY25</b>   | <b>FY26</b> | <b>FY27</b> | <b>FY28</b> |
|----------------------------------------------------------------------------|--------------|---------------|-------------|-------------|-------------|
| Total Available Loan Funds (without future Cap Grants)                     | \$8.9        | \$40.9        | \$73.7      | \$106.5     | \$130.8     |
| Total Available Loan Funds (without future “Cap Grants” – Repayments only) | <b>\$8.9</b> | <b>\$30.1</b> | \$51.2      | \$71.9      | \$96.2      |
| Reserve (cumulative at \$5 m/year)                                         |              | -\$5          | -\$10       | -\$15       | -\$20       |
| Minimum Available                                                          | \$8.9        | \$25.1        | \$41.2      | \$56.9      | \$76.2      |

From Table 1, **staff recommends the Board authorize at least \$8.9 million but not greater than \$30.1 million in funding during FY24.** Funding at the full amount of \$30.1 million anticipates that fund income will keep pace with the overall pace of construction.

Availability of all needed funds, including local share, would have to be assessed at the time of loan closing and a shortage could delay some projects.

### AVAILABLE PRINCIPAL FORGIVENESS BALANCES EVALUATION

As part of the Attachment I Financial Report is an estimate of unobligated balances for Principal Forgiveness (PF) amounts. These are PF balances the Board can award to projects meet the State Affordability Criteria. The Capitalization Grant requires the SRF program to “use at least 10 percent but no more than 30 percent of the capitalization grant” as PF. The available PF for FY24 is \$3,888,490. **Staff recommends the Board award at least \$3.1 million not greater than \$3.8 million in PF** if applicable. This funding would be part of the \$8.9-\$30.1 million discussed above and not in addition to it. Table 2, below shows the PF balances by year.

**Table 2: Summary of Principal Forgiveness Balances (in millions)**

| Funding Fiscal Year                     | FY24  | FY25  | FY26   | FY27   | FY28   |
|-----------------------------------------|-------|-------|--------|--------|--------|
| Principal Forgiveness Remaining Balance | \$3.9 | \$9.4 | \$15.4 | \$21.3 | \$21.3 |

### PROJECTS FOR WATER QUALITY BOARD CONSIDERATION

In June 2023, the Board received applications with funding requests over \$65 Million. As there are not sufficient funds to fully fund all of the requests, staff requested to review these requests with the Finance Committee. Staff prepared a brief summary of each project that is provided in Enclosure 1 as well as a cost model for each project. Cost models are provided in Attachments 3 through 9.

Table 3, below, shows a summary of the Funding Requests. Historically, when the Board funds Planning, Engineering, or construction management services it is done from the UT Wastewater Loan Fund or Hardship Grant Fund due to Federal Architectural and Engineering procurement requirements.

**Table 3 Summary of Project Requests**

| Entity              | Engineering & CMS | Construction & Other Costs | Total Project Cost | Requested Funding* |
|---------------------|-------------------|----------------------------|--------------------|--------------------|
| Monticello City     | \$153,500         | \$1,352,625                | 1,506,125          | \$1,214,000        |
| Brian Head Town     | \$110,000         | \$1,578,000                | 1,688,000          | \$1,688,000        |
| Mount Pleasant City | Not Broken Out    | \$2,670,000                | \$2,670,000        | \$2,670,000        |
| Wolf Creek WSID     | \$1,276,788       | \$9,470,149                | \$10,441,937       | \$6,405,000        |
| Lewiston City       | \$710,000         | \$9,837,000                | \$10,547,000       | \$6,512,000        |
| South Davis SD      | \$6,735,000       | \$47,502,000               | 54,237,000         | \$49,237,000       |

**FY23 SECOND ROUND FUNDING**

If full funding is authorized in the current cycle, the Board may wish to cancel second-round application period for FY23. This would mean new project funding applications would not be considered until June 2024. Planning and Design Advance applications would continue to be accepted throughout the year. In addition, changes required for prior projects authorizations would re-appear as needed. Finally, any emergency projects to prevent severe property damage will be brought on an emergency basis.

**PRIORITIZATION OF APPLICANTS**

To evaluate how to authorize funds the Board must determine a priority system. Staff recommends evaluating the applicants under four Tiers. Tier 1 is rural communities unable to bond on their own, ready to process to design/bidding, and where there is not a substantial growth component. Tier 2 is rural communities unable to bond on their own, not ready to proceed to design/bidding, and where there is not a substantial growth component. Tier 3 is rural communities likely unable to bond with a growth component. Tier 4 is large utilities with bonding capacity.

Tier 1 – Lewiston, Monticello, and Mount Pleasant City.

Tier 2 - Lewiston

Tier 3 - Brian Head and Wolf Creek

Tier 4 - South Davis

**STAFF EVALUATED FUNDING SCENARIO**

Staff has come up with three possible scenarios using different levels of funding. The First Scenario is presented in Table 4 below which would maintain authorization at or below the funds available through FY 24. The table below totals about **\$7.3 million** in funding.

**Table 4: Funding Scenario 1**

| Entity              | CWSRF       | Principal Forgiveness | Hardship Grant |
|---------------------|-------------|-----------------------|----------------|
| Monticello City     | \$1,214,000 | \$0                   | \$0            |
| Mount Pleasant City | \$2,535,000 | \$0                   | \$135,000      |
| Lewiston City       | \$400,000   | \$3,100,000           | \$0            |
| Brian Head Town     | \$0         | \$0                   | \$0            |
| Wolf Creek WSID     | \$0         | \$0                   | \$0            |
| South Davis SD      | \$0         | \$0                   | \$0            |

The second scenario is presented in Table 5 below which would authorize the funds available through FY 24 and part of the funds available through FY 25 which is about **\$20.4 million** in funding. Scenario 2 is detailed in Attachment 2 Financial Status Report – Potential Funding Scenario 2 (\$20.4 million).

**Table 5: Funding Scenario 2**

| <b>Entity</b>                                                 | <b>CWSRF</b> | <b>Principal Forgiveness</b> | <b>Hardship Grant</b> |
|---------------------------------------------------------------|--------------|------------------------------|-----------------------|
| Monticello City                                               | \$1,214,000  | \$0                          | \$0                   |
| Mount Pleasant City                                           | \$2,535,000  | \$0                          | \$135,000             |
| Lewiston City                                                 | \$400,000    | \$3,100,000                  | \$0                   |
| Lewiston City<br>(reserve for potential future authorization) | \$3,047,000  | \$0                          | \$0                   |
| Brian Head Town                                               | \$1,900,000  | \$0                          | \$0                   |
| Wolf Creek WSID                                               | \$6,404,000  | \$0                          | \$0                   |
| South Davis SD                                                | \$2,000,000  | \$0                          | \$0                   |

The third scenario is presented in table 6 below which would authorize the funds available through FY 24 and much of the funds available through FY 25 which is about **\$30.1 million** in funding. Attachment 2 Financial Report details this Funding Scenario 3.

**Table 6: Funding Scenario 3**

| <b>Entity</b>                                                 | <b>CWSRF</b> | <b>Principal Forgiveness</b> | <b>Hardship Grant</b> |
|---------------------------------------------------------------|--------------|------------------------------|-----------------------|
| Monticello City                                               | \$1,214,000  | \$0                          | \$0                   |
| Mount Pleasant City                                           | \$2,535,000  | \$0                          | \$135,000             |
| Lewiston City                                                 | \$400,000    | \$3,100,000                  | \$0                   |
| Lewiston City<br>(reserve for potential future authorization) | \$3,047,000  | \$0                          | \$0                   |
| Brian Head Town                                               | \$1,900,000  | \$0                          | \$0                   |
| Wolf Creek WSID                                               | \$6,404,000  | \$0                          | \$0                   |
| South Davis SD                                                | \$11,700,000 | \$0                          | \$0                   |

## **ENCLOSURE 1**

### **MONTICELLO CITY**

Monticello City is requesting funding from the Water Quality Board in the amount of **\$1,214,000** to upgrade the sewer system by replacing several sections of the system that have reached the end of its service life. The City of Monticello has a sewer system with nearly 28 miles of sewer pipeline which provides sewer service to 813 connections or approximately 1,162 equivalent residential units (ERUs). The majority of the system is clay pipe that was installed in the 1940's. This project would replace the most critical parts of the sewer system that have reached the end of their useful life. The City has set aside its ARPA funding as a partial match for this project the City currently has \$233,032 set aside for this project. They also had applied to the Governor's Office of Planning and Budget Local Assistance Matching Grant Program, but were unsuccessful. The City has completed a Master Plan and is preparing plans and specifications for bidding Spring 2024.

The Monticello City Sewer Improvements project will address needed replacement to the sewer system. Staff is supportive of this project as a loan from the WQB as it would replace critical sections of the sewer system.

#### *ADDITIONAL FUNDING OPTIONS:*

1. The Board could fully fund the project with a loan.
2. The Board could fund a portion of the project and the City would need to reduce the scope of the project to fit the available funding.
3. The Board could instruct the City to pursue funding from the Permanent Community Impact Board (CIB) or USDA-RD.

### **MOUNT PLEASANT CITY**

Mount Pleasant City is requesting funding from the Water Quality Board in the amount \$2,670,000 for new construction and upgrades to their existing wastewater treatment facility per the conclusions and recommendations from their 2022 Master Plan. This request is for the following: construction of a new headworks building, including mechanical fine screen (\$1,150,000); installation of a septage receiving station at headworks (\$270,000); and bringing cell #3 of the existing total containment lagoon system on-line to increase capacity (\$1,250,000).

The existing lagoon system does not have a headworks treatment system, and has seen an increase in non-biodegradable objects entering the system. The 2022 Master Plan recommended the construction of a new headworks facility to handle these solids. Septage receiving capabilities were also recommended with the construction of the headworks facility, as septage is not handled by the lagoon treatment system and is currently dumped into their abandoned Cell #3. A septage receiving station would incorporate septage into the treatment system, as well as provide more accessibility for septage haulers using the facility. Finally, the Master Plan recommended expanding lagoon capacity to meet future growth needs, as their 2-cell system is approaching capacity.

To achieve this, the City plans to re-line the abandoned Cell #3 as the original clay liner is damaged with vegetation/cracking and needs replacement. An HDPE geomembrane liner is recommended. The City has completed a Master Plan and is preparing plans and specifications for bidding Spring 2024.

Staff recognizes the importance of small communities providing septage receiving stations and service which protects their wastewater facility while also offering a vital service which protects the greater area surrounding their community, by providing for the feasible disposal of septage which results from proper maintenance of onsite systems in the surrounding area. Sometimes these facilities can earn considerable funds for a community but they can often also just be an additional cost to a community. Staff recommends the Board consider funding up to 50% of the septage receiving station from hardship grant funds, which would amount to a \$135,000 grant.

#### ADDITIONAL FUNDING OPTIONS:

1. The Board could fully fund the project with a loan.
2. The Board could fund the project with a loan and a \$135,000 grant for the construction of the septage receiving station.
3. The Board could instruct the City to pursue funding from the Permanent Community Impact Board (CIB) or USDA-RD.

#### LEWISTON CITY

Lewiston City is requesting funding from the Water Quality Board in the amount of \$6,512,000 to upgrade the sewer system and connect its collection system to the Richmond MBR treatment plant. It will address current and future treatment needs by pumping sewer flows to the Richmond City mechanical treatment plant, thereby eliminating the current Lewiston treatment lagoons. The City feels that this regionalization of treatment will be a long-term solution for the community. Effluent quality will be greatly improved by regionalizing and treating the city's sewer in Richmond's MBR. This also opens up Type 1 reuse opportunities.

A total of \$10,547,000 is needed to fund the project. In addition to the Board fund, the City hopes to re-authorize funds from United States Department of Agriculture-Rural Development (USDA-RD) of a \$2,052,000 1.875% interest 40-year loan and \$483,000 of grant funds for a total of \$2,535,000. Furthermore, Lewiston City now has \$1,500,000 in the sewer fund from the sale of land for commercial development. The City is ready to increase the monthly sewer rates due to the regional wastewater treatment plant in Richmond City. Lewiston has requested the Board largely support the project with principal forgiveness authorization which will allow them the opportunity to explore additional funding form USDA-RD. Staff recommends all funding packages include some loan funds and does not recommend a funding package which contains only principal forgiveness. The City has completed a Preliminary Engineering Report and the intends to begin plans and specifications preparation after completing negotiations with Richmond for impact fees and monthly treatment fees. Richmond is currently in the process of re-evaluating their impact fees and anticipates completing this analysis sometime around Spring 2024.

Staff is supportive of this project but would recommend significant special conditions be placed on an authorization. Staff recommends at a minimum the Board require Lewiston City:

- Must reappear in front of the Board no later than April 2024 if all necessary funds have not been secured by that time.
- Hold a public meeting detailing the project and the projected monthly user rates prior to the April Board meeting.
- Draft an interlocal agreement with Richmond including monthly treatment costs and impact fees to be collected prior to the April Board meeting.

**ADDITIONAL FUNDING OPTION:**

1. The Board could authorize up to \$3,100,000 in principal forgiveness and up to \$3,447,000 in loan.
2. The Board could authorize up to \$3,100,000 in principal forgiveness and \$400,000 in loan with special conditions. The Board could reserve \$3,047,000 for future funding after Lewiston explores additional funding from USDA-RD.
3. The Board could reserve up to \$3,100,000 in principal forgiveness and \$3,447,000 in loan funds and instruct Lewiston to return in 2024 once greater project details are available.
4. The Board could instruct Lewiston to fully exhaust pursuing additional funding from other sources such as USDA-RD.

**BRIAN HEAD TOWN**

Brian Head is currently constructing water lines into annexed areas of the town that do not have water utilities. The local health department is initiating a new policy that will not allow the issuance of septic permits to households that intend to employ water hauling as a culinary water solution. While they are constructing the water lines the Town would like to install wastewater lines. This would remove the need for septic systems in the area. The Town would like to focus on the condensed version of the project that includes Snow Shoe Drive, Toboggan Circle, and Ponderosa Drive. These areas include 20% existing households and 80% development. This project requires \$1,306,249 to complete that includes 30% contingency. The MAGI is not included in the cost model for this project, in Attachment 5, as the cost of sewer service as a percent of MAGI does not accurately portray hardship for this area due to the high percentage of second homes in the area. To evaluate hardship staff would require an evaluation of the service population and their incomes. Therefore, staff would suggest that any funding for this project be offered as a loan. The Town is preparing plans and specifications for bidding Spring 2024.

***ADDITIONAL FUNDING OPTIONS:***

1. The Board could fully fund the project with a loan.
2. The Board could instruct the City to pursue funding from other sources such as the Permanent Community Impact Board (CIB) or USDA-RD.



**WOLF CREEK WATER & SEWER IMPROVEMENT DISTRICT**

Wolf Creek Water and Sewer Improvement District (Wolf Creek) is requesting funding from the Water Quality Board in the amount **\$6,588,000** for the construction of a reuse storage pond and distribution pipeline and pump station. Wolf Creek plans to land apply their treated effluent at the golf course in town. Wolf Creek installed an MBR process back in 2008 which replaced the old lagoons which were constructed in the 1980s. The current MBR system is designed for 450,000 gallons per day. Wolf Creek sits in a Category 1 watershed and currently does not discharge to surface waters. Wolf Creek’s disposal methods are evaporation from their storage ponds, Type I reuse to the golf course, and two RIBs for which Wolf Creek has an operating permit.

Wolf Creek is experiencing pressure from intense development pressures in the area. This development pressure has spread the disposal capacity and water supply very thin and Wolf Creek lacks the amount of culinary water necessary to supply the projected growth. Wolf Creek is located within a Category 1 Water and surface water discharge is prohibited. Thus, Wolf Creek must discharge to groundwater or reuse treated effluent at agronomic rates. Wolf Creek has the capability to produce Type I treated effluent for reuse, and Wolf Creek would like to expand the use of Type I reuse water on their golf course.

Type I reuse is an essential mechanism for disposal of Wolf Creek’s treated effluent. Funding this reuse storage, pump station, and pipeline will allow Wolf Creek to have more disposal capacity with minimal impact in the Category 1 watershed. It will also help increase the storage and disposal capacity of the treatment plant, which will be hooking up more homes to sewer in the future. Wolf Creek has completed a Facilities Plan and is preparing plans and specifications for bidding Spring 2024.

Staff is supportive of funding this project as a loan from the Water Quality Board. Wolf Creek has indicated that they are willing to take any amount of loan that is feasible for the Board.

*ADDITIONAL FUNDING OPTIONS:*

1. The Board could fully fund the project with a loan.
2. The Board could fully fund the project with FY24 Revolved Balances. This might require Wolf Creek to secure a construction loan as a bond anticipation note (BAN).
3. The Board could fund a portion of the project and the City would need to obtain a loan on the market.
4. The Board could instruct the City to pursue funding from other sources such as the Permanent Community Impact Board (CIB) or USDA-RD.

### **SOUTH DAVIS SEWER DISTRICT**

South Davis Sewer District (SDSD) is requesting funding from the Water Quality Board in the amount of \$49,237,000 to install a moving bed biological reactor (MBBR) with chemical addition at their North Plant. SDSD owns two wastewater treatment plants and provides sewer services to 34,096 residential households. Currently, the applicant has a Board authorized loan of \$14,176,000 with an interest rate of 0.25% and a 20-year term, including \$1,000,000 in principal reserved for SRF eligible nonpoint source project funding, but they have changed their scope of the project and prior to authorizing funds for any of the projects these funds need to be de-obligated and this project will need a new authorization.

SDSD is facing more stringent effluent limits for phosphorus and ammonia. South Davis Sewer District has a compliance schedule for the North Plant to reduce their ammonia discharge by September 1, 2026. In order for the facility to reduce their ammonia discharge an upgrade is required. This upgrade has a total estimated cost of \$54,237,000. SDSD has completed a Facilities Plan and is preparing plans and specifications for bidding Spring 2024.

The North Plant intends to upgrade nutrient removal, solids treatment, and solids handling. This upgrade as determined through an alternatives evaluation requires the installation of a grit removal system, an MBBR with a concrete basin along with an aeration grid and blowers to aerate the basin. A blower building will be needed and an upgrade to their pumps will be required to pump to the new MBBR. Finally, a new digester tank will be installed to handle the additional solids. Staff is supportive of funding a portion of this project as a loan from the Water Quality Board. SDSD has indicated that they are willing to take any amount of loan that is feasible for the Board, and receive the rest of the funding through private loans.

#### **ADDITIONAL FUNDING OPTIONS:**

1. The Board could consider authorizing any amount up to the requested amount.
2. The Board could opt not to provide funding at this time, but leave the door open if additional Board Funds become available to have SDSD come back at that time.

**ATTACHMENT 1- Financial Status Report**

|                                                 | State Fiscal Year<br>2024 | State Fiscal Year<br>2025 |
|-------------------------------------------------|---------------------------|---------------------------|
| <b>STATE REVOLVING FUND (SRF)</b>               |                           |                           |
| <b>CAP Grant Base Program</b>                   |                           |                           |
| Capitalization Grant Awards (FY22)              | \$ -                      |                           |
| Future Capitalization Grant                     | \$ 3,952,000              |                           |
| State Cap Grant Match (FY22)                    | \$ -                      | \$ -                      |
| Future State Cap Grant Match                    | \$ 790,400                | \$ -                      |
| <b>CAP Grant General Supplemental</b>           |                           |                           |
| General Supplemental Grants (FY22)              | \$ 9,378,000              | \$ -                      |
| Future General Supplemental Grant               | \$ 10,983,000             | \$ 11,234,025             |
| State General Supplemental Grants Match (FY22)  | \$ 937,800                |                           |
| Future State Gen. Sup Grants Match              | \$ 1,098,300              | \$ 2,246,805              |
| <b>SRF - 2nd Round</b>                          |                           |                           |
| Account Balance                                 | \$ 19,178,127             | \$ (12,695,209)           |
| Interest Earnings at 5.1762%                    | \$ 909,973                | \$ -                      |
| Loan Repayments (5255)                          | \$ 8,602,482              | \$ 17,477,115             |
| <b>Total Funds Available</b>                    | \$ 55,830,082             | \$ 18,262,736             |
| <b>CWSRF Program Obligations</b>                |                           |                           |
| Admin Expenses for all CAP Grant Awards         | \$ (1,037,080)            | \$ (894,361)              |
| Cap Grant Principal Forgiveness (PF) (FY18-22)  | \$ (13,534,600)           |                           |
| Future Cap Grant (PF portion)                   | \$ (1,185,600)            | \$ -                      |
| General Supplemental Grants (PF portion)        | \$ (4,595,220)            |                           |
| Future General Supplemental Grants (PF portion) | \$ (5,381,670)            | \$ (5,504,672)            |
| <b>Project Obligations</b>                      |                           |                           |
| Moab City                                       | \$ (80,000)               | \$ -                      |
| Provo City 262                                  | \$ (8,800,500)            | \$ -                      |
| Provo City 262b                                 | \$ (1,855,621)            | \$ -                      |
| South Salt Lake City (A)                        | \$ (524,000)              | \$ -                      |
| Millville City Loan                             | \$ (5,146,000)            | \$ -                      |
| Mountain Green                                  | \$ (6,949,000)            | \$ -                      |
| Payson City                                     | \$ (13,425,000)           | \$ -                      |
| <b>Loan Authorizations</b>                      |                           |                           |
| Millville Refinance Loan                        | \$ (1,261,000)            |                           |
| Long Valley                                     | \$ (1,250,000)            |                           |
| North Logan                                     | \$ (3,500,000)            |                           |
| <b>Planned Projects (6)</b>                     |                           |                           |
| South Davis*                                    |                           |                           |
| Mt Pleasant*                                    |                           |                           |
| Monticello*                                     |                           |                           |
| Lewiston*                                       |                           |                           |
| Wolf Creek*                                     |                           |                           |
| Brian Head*                                     |                           |                           |
| <b>CWSRF Obligations</b>                        | \$ (68,525,291)           | \$ (6,399,033)            |
| <b>CWSRF Remaining Loan Balance</b>             | \$ (12,695,209)           | \$ 11,863,703             |

|                                                 |                   |                   |
|-------------------------------------------------|-------------------|-------------------|
| <b>Add'l Subsidy - Principal Forgiveness</b>    |                   |                   |
| PF Balances (max for FY18-22)                   | \$ 13,534,600     | \$ 3,888,490      |
| Future Cap Grant (PF portion)                   | \$ 1,185,600      | \$ -              |
| General Supplemental Balances (PF portion)      | \$ 4,595,220      |                   |
| Future General Supplemental Grants (PF portion) | \$ 5,381,670      | \$ 5,504,672      |
| <b>Project Obligations</b>                      |                   |                   |
| South Salt Lake City (A)                        | \$ (3,760,000)    | \$ -              |
| Millville City                                  | \$ (3,604,000)    | \$ -              |
| Provo City                                      | \$ (7,000,000)    | \$ -              |
| Payson City                                     | \$ (1,000,000)    | \$ -              |
| Millville City Refinance                        | \$ (3,750,000)    | \$ -              |
| <b>Add'l Subsidy Authorizations</b>             |                   |                   |
| Hanksville                                      | \$ (1,694,600)    |                   |
| <b>Planned Projects</b>                         |                   |                   |
|                                                 |                   |                   |
| <b>Principal Forgiveness Obligations</b>        | \$ (20,808,600)   | \$ -              |
| <b>Principal Forgiveness Remaining Balance</b>  | \$ 3,888,490      | \$ 9,393,162      |
|                                                 |                   |                   |
|                                                 | State Fiscal Year | State Fiscal Year |
| <b>UTAH WASTEWATER LOAN FUND (UWLF)</b>         | 2024              | 2025              |
| <b>Funds Available</b>                          |                   |                   |
| UWLF                                            | \$ 30,341,765     | \$ 17,675,481     |
| Sales Tax Revenue                               | \$ 2,532,524      | \$ 3,587,500      |
| Loan Repayments (5260)                          | \$ 1,806,092      | \$ 2,606,859      |
| <b>Total Funds Available</b>                    | \$ 34,680,381     | \$ 23,869,840     |
| <b>General Obligations</b>                      |                   |                   |
| State Match Transfers Base Cap Grant            | \$ (790,400)      | \$ -              |
| State Match Transfers Gen. Supplemental Grant   | \$ (937,800)      | \$ -              |
| State Match Transfers Gen. Supplemental Grant   | \$ (1,098,300)    | \$ (2,246,805)    |
| DWQ Administrative Expenses                     | \$ (1,925,400)    | \$ (1,925,400)    |
| <b>Project Obligations</b>                      |                   |                   |
| South Salt Lake City (B)                        | \$ (4,891,000)    | \$ -              |
| South Salt Lake City (C)                        | \$ (982,000)      | \$ -              |
| <b>Loan Authorizations</b>                      |                   |                   |
| Spanish Fork                                    | \$ (4,500,000)    |                   |
| Hanksville                                      | \$ (350,000)      |                   |
| Long Valley                                     | \$ (220,000)      |                   |
| Grantsville                                     | \$ (1,000,000)    |                   |
| Kane County                                     | \$ (310,000)      |                   |
| <b>Planned Projects</b>                         |                   |                   |
|                                                 |                   |                   |
| <b>Total Obligations</b>                        | \$ (17,004,900)   | \$ (4,172,205)    |
| <b>UWLF Remaining Loan Balance</b>              | \$ 17,675,481     | \$ 19,697,635     |
|                                                 |                   |                   |
| <b>TOTAL LOAN FUND BALANCE</b>                  | \$ 8,868,762      | \$ 40,954,499     |
| <b>PROJECT RESERVE</b>                          | \$ -              | \$ (5,000,000)    |
| <b>TOTAL AVAILABLE LOAN FUNDS</b>               | \$ 8,868,762      | \$ 35,954,499     |

**ATTACHMENT 2-Financial Status Report – Potential Funding Scenario 2 (\$20.4 million)**

|                                                 | State Fiscal Year<br>2024 | State Fiscal Year<br>2025 |
|-------------------------------------------------|---------------------------|---------------------------|
| <b>STATE REVOLVING FUND (SRF)</b>               |                           |                           |
| <b>CAP Grant Base Program</b>                   |                           |                           |
| Capitalization Grant Awards (FY22)              | \$ -                      |                           |
| Future Capitalization Grant                     | \$ 3,952,000              |                           |
| State Cap Grant Match (FY22)                    | \$ -                      | \$ -                      |
| Future State Cap Grant Match                    | \$ 790,400                | \$ -                      |
| <b>CAP Grant General Supplemental</b>           |                           |                           |
| General Supplemental Grants (FY22)              | \$ 9,378,000              | \$ -                      |
| Future General Supplemental Grant               | \$ 10,983,000             | \$ 11,234,025             |
| State General Supplemental Grants Match (FY22)  | \$ 937,800                |                           |
| Future State Gen. Sup Grants Match              | \$ 1,098,300              | \$ 2,246,805              |
| <b>SRF - 2nd Round</b>                          |                           |                           |
| Account Balance                                 | \$ 19,178,127             | \$ (18,575,704)           |
| Interest Earnings at 5.1762%                    | \$ 909,973                | \$ -                      |
| Loan Repayments (5255)                          | \$ 8,370,987              | \$ 17,272,300             |
| <b>Total Funds Available</b>                    | <b>\$ 55,598,587</b>      | <b>\$ 12,177,426</b>      |
| <b>CWSRF Program Obligations</b>                |                           |                           |
| Admin Expenses for all CAP Grant Awards         | \$ (1,037,080)            | \$ (894,361)              |
| Cap Grant Principal Forgiveness (PF) (FY18-22)  | \$ (13,534,600)           |                           |
| Future Cap Grant (PF portion)                   | \$ (1,185,600)            | \$ -                      |
| General Supplemental Grants (PF portion)        | \$ (4,595,220)            |                           |
| Future General Supplemental Grants (PF portion) | \$ (5,381,670)            | \$ (5,504,672)            |
| <b>Project Obligations</b>                      |                           |                           |
| Moab City                                       | \$ (80,000)               | \$ -                      |
| Provo City 262                                  | \$ (8,800,500)            | \$ -                      |
| Provo City 262b                                 | \$ (1,855,621)            | \$ -                      |
| South Salt Lake City (A)                        | \$ (524,000)              | \$ -                      |
| Millville City Loan                             | \$ (5,146,000)            | \$ -                      |
| Mountain Green                                  | \$ (6,949,000)            | \$ -                      |
| Payson City                                     | \$ (13,425,000)           | \$ -                      |
| <b>Loan Authorizations</b>                      |                           |                           |
| Millville Refinance Loan                        | \$ (1,261,000)            |                           |
| Long Valley                                     | \$ (1,250,000)            |                           |
| North Logan                                     | \$ (3,500,000)            |                           |
| <b>Planned Projects</b>                         |                           |                           |
| South Davis*                                    |                           | \$ (2,000,000)            |
| Mt Pleasant*                                    | \$ (2,535,000)            |                           |
| Monticello*                                     | \$ (1,214,000)            |                           |
| Wolf Creek*                                     |                           | \$ (6,404,000)            |
| Brian Head*                                     | \$ (1,900,000)            |                           |
| Lewiston*                                       |                           | \$ (400,000)              |
| Lewiston (bidding reserve)*                     |                           | \$ (3,047,000)            |
| <b>CWSRF Obligations</b>                        | <b>\$ (74,174,291)</b>    | <b>\$ (18,250,033)</b>    |
| <b>CWSRF Remaining Loan Balance</b>             | <b>\$ (18,575,704)</b>    | <b>\$ (6,072,608)</b>     |

|                                                 |                   |                   |
|-------------------------------------------------|-------------------|-------------------|
| <b>Add'l Subsidy - Principal Forgiveness</b>    |                   |                   |
| PF Balances (max for FY18-22)                   | \$ 13,534,600     | \$ 788,490        |
| Future Cap Grant (PF portion)                   | \$ 1,185,600      | \$ -              |
| General Supplemental Balances (PF portion)      | \$ 4,595,220      |                   |
| Future General Supplemental Grants (PF portion) | \$ 5,381,670      | \$ 5,504,672      |
| <b>Project Obligations</b>                      |                   |                   |
| South Salt Lake City (A)                        | \$ (3,760,000)    | \$ -              |
| Millville City                                  | \$ (3,604,000)    | \$ -              |
| Provo City                                      | \$ (7,000,000)    | \$ -              |
| Payson City                                     | \$ (1,000,000)    | \$ -              |
| Millville City Refinance                        | \$ (3,750,000)    | \$ -              |
| <b>Add'l Subsidy Authorizations</b>             |                   |                   |
| Hanksville                                      | \$ (1,694,600)    |                   |
| <b>Planned Projects</b>                         |                   |                   |
| Lewiston                                        | \$ (3,100,000)    |                   |
| <b>Principal Forgiveness Obligations</b>        | \$ (23,908,600)   | \$ -              |
| <b>Principal Forgiveness Remaining Balance</b>  | \$ 788,490        | \$ 6,293,162      |
|                                                 |                   |                   |
|                                                 | State Fiscal Year | State Fiscal Year |
| <b>UTAH WASTEWATER LOAN FUND (UWLF)</b>         | 2024              | 2025              |
| <b>Funds Available</b>                          |                   |                   |
| UWLF                                            | \$ 30,341,765     | \$ 17,675,481     |
| Sales Tax Revenue                               | \$ 2,532,524      | \$ 3,587,500      |
| Loan Repayments (5260)                          | \$ 1,806,092      | \$ 2,606,859      |
| <b>Total Funds Available</b>                    | \$ 34,680,381     | \$ 23,869,840     |
| <b>General Obligations</b>                      |                   |                   |
| State Match Transfers Base Cap Grant            | \$ (790,400)      | \$ -              |
| State Match Transfers Gen. Supplemental Grant   | \$ (937,800)      | \$ -              |
| State Match Transfers Gen. Supplemental Grant   | \$ (1,098,300)    | \$ (2,246,805)    |
| DWQ Administrative Expenses                     | \$ (1,925,400)    | \$ (1,925,400)    |
| <b>Project Obligations</b>                      |                   |                   |
| South Salt Lake City (B)                        | \$ (4,891,000)    | \$ -              |
| South Salt Lake City (C)                        | \$ (982,000)      | \$ -              |
| <b>Loan Authorizations</b>                      |                   |                   |
| Spanish Fork                                    | \$ (4,500,000)    |                   |
| Hanksville                                      | \$ (350,000)      |                   |
| Long Valley                                     | \$ (220,000)      |                   |
| Grantsville                                     | \$ (1,000,000)    |                   |
| Kane County                                     | \$ (310,000)      |                   |
| <b>Planned Projects</b>                         | \$ -              |                   |
|                                                 |                   |                   |
| <b>Total Obligations</b>                        | \$ (17,004,900)   | \$ (4,172,205)    |
| <b>UWLF Remaining Loan Balance</b>              | \$ 17,675,481     | \$ 19,697,635     |
|                                                 |                   |                   |
| <b>TOTAL LOAN FUND BALANCE</b>                  | \$ (111,733)      | \$ 19,918,189     |
| <b>PROJECT RESERVE</b>                          | \$ -              | \$ (5,000,000)    |
| <b>TOTAL AVAILABLE LOAN FUNDS</b>               | \$ (111,733)      | \$ 14,918,189     |

**ATTACHMENT 3 - Monticello Cost Model**

| Monticello City<br>20 Year Static Cost Model |              |               |                       |                       |                       |                         |                        |                                                 |                  |              |
|----------------------------------------------|--------------|---------------|-----------------------|-----------------------|-----------------------|-------------------------|------------------------|-------------------------------------------------|------------------|--------------|
| <b>Project Costs</b>                         |              |               | Sewer                 |                       |                       |                         |                        | <b>Current Customer Base &amp; User Charges</b> |                  | ERC          |
| Admin/Legal/Bonding                          |              | \$            | 23,000                |                       |                       |                         |                        |                                                 |                  |              |
| Pre-Construction Engineering                 |              | \$            | 60,500                |                       |                       |                         |                        | Total ERC                                       |                  | 672          |
| Construction Engineering Services            |              | \$            | 70,000                |                       |                       |                         |                        |                                                 |                  |              |
| Construction                                 |              | \$            | 1,127,000             |                       |                       |                         |                        | MAGI (Monticello City 2020):                    | \$               | 40,400       |
| Contingency                                  |              | \$            | 225,625               |                       |                       |                         |                        | <b>1.4% MAGI Sewer Bill:</b>                    | <b>\$</b>        | <b>47.13</b> |
| <b>Total Project Cost:</b>                   |              | <b>\$</b>     | <b>1,506,125</b>      |                       |                       |                         |                        |                                                 |                  |              |
| <b>Project Funding</b>                       |              |               |                       |                       |                       |                         |                        | Current Sewer Bill                              |                  | \$ 18.60     |
| Local Contribution                           |              | \$            | 60,000                |                       |                       |                         |                        | EXISTING DEBT                                   | \$               | 17,000       |
| ARPA Funds                                   |              | \$            | 233,032               |                       |                       |                         |                        | O&M Expenses                                    | \$               | 183,784      |
| WQB Funding Requested                        |              | \$            | 1,213,093             |                       |                       |                         |                        |                                                 |                  |              |
| <b>Total Project Cost:</b>                   |              | <b>\$</b>     | <b>1,506,125</b>      |                       |                       |                         |                        | <b>Funding Conditions</b>                       |                  |              |
|                                              |              |               |                       |                       |                       |                         |                        | Loan Repayment Term:                            |                  | 20           |
| <b>ESTIMATED COST OF SEWER SERVICE</b>       |              |               |                       |                       |                       |                         |                        |                                                 |                  |              |
| Grant Amount                                 | Loan Amount  | Interest Rate | CIB Loan Debt Service | Annual Sewer O&M Cost | Existing Debt Service | Total Annual Sewer Cost | Monthly Sewer Cost/ERU | Sewer Cost as a % of MAGI                       | Financial Burden |              |
| \$ -                                         | \$ 1,213,093 | 0.00%         | \$60,655              | \$ 183,784            | \$ 17,000             | \$ 261,439              | 32.42                  | 0.96%                                           | Low              |              |
| \$ -                                         | \$ 1,213,093 | 0.25%         | \$62,259              | \$ 183,784            | \$ 17,000             | \$ 263,044              | 32.62                  | 0.97%                                           | Low              |              |
| \$ -                                         | \$ 1,213,093 | 0.50%         | \$63,889              | \$ 183,784            | \$ 17,000             | \$ 264,674              | 32.82                  | 0.97%                                           | Low              |              |
| \$ -                                         | \$ 1,213,093 | 1.00%         | \$67,224              | \$ 183,784            | \$ 17,000             | \$ 268,008              | 33.24                  | 0.99%                                           | Low              |              |
| \$ -                                         | \$ 1,213,093 | 1.50%         | \$70,657              | \$ 183,784            | \$ 17,000             | \$ 271,442              | 33.66                  | 1.00%                                           | Low              |              |
| \$ -                                         | \$ 1,213,093 | 1.75%         | \$72,411              | \$ 183,784            | \$ 17,000             | \$ 273,195              | 33.88                  | 1.01%                                           | Low              |              |
| \$ -                                         | \$ 1,213,093 | 2.00%         | \$74,189              | \$ 183,784            | \$ 17,000             | \$ 274,973              | 34.10                  | 1.01%                                           | Low              |              |
| \$ -                                         | \$ 1,213,093 | 2.50%         | \$77,816              | \$ 183,784            | \$ 17,000             | \$ 278,601              | 34.55                  | 1.03%                                           | Low              |              |
| \$ -                                         | \$ 1,213,093 | 3.00%         | \$81,539              | \$ 183,784            | \$ 17,000             | \$ 282,323              | 35.01                  | 1.04%                                           | Low              |              |
| \$ -                                         | \$ 1,213,093 | 3.50%         | \$85,355              | \$ 183,784            | \$ 17,000             | \$ 286,139              | 35.48                  | 1.05%                                           | Low              |              |
| \$ -                                         | \$ 1,213,093 | 4.00%         | \$89,262              | \$ 183,784            | \$ 17,000             | \$ 290,046              | 35.97                  | 1.07%                                           | Low              |              |
| \$ -                                         | \$ 1,213,093 | 4.10%         | \$90,054              | \$ 183,784            | \$ 17,000             | \$ 290,838              | 36.07                  | 1.07%                                           | Low              |              |

**ATTACHMENT 4 - Mount Pleasant Cost Model**

**Mt Pleasant - Water Quality Board  
 20 Year Loan Static Cost Model**

**Project Costs**

|                                                            |    |                     |
|------------------------------------------------------------|----|---------------------|
| Legal/Bonding                                              | \$ | 30,000              |
| DWQ Loan Origination Fee                                   | \$ | 27,000              |
| Engineering - Design & CMS (Included in construction cost) |    |                     |
| Headworks Building                                         | \$ | 1,150,000           |
| Septage Receiving Station                                  | \$ | 270,000             |
| HDPE Liner in Cell #3                                      | \$ | 1,250,000           |
| Construction subtotal                                      |    | \$ 2,670,000        |
| Contingency (Included in construction cost)                |    | \$ -                |
| <b>Total Project Cost:</b>                                 |    | <b>\$ 2,700,000</b> |

**Current Customer Base & User Charges**

|                                 |           |
|---------------------------------|-----------|
| Initial Total Customer (ERU's)  | 1,266     |
| MAGI for Mt Pleasant (2020):    | \$40,800  |
| Affordable Monthly Rate at 1.4% | \$47.60   |
| Impact Fee (per ERU):           | \$1,557   |
| Current Monthly Fee (per ERU)   | \$22.50   |
| Debt Service                    | \$0       |
| Annual O&M expense              | \$300,000 |

avg monthly bill

**Project Funding**

|                            |           |                  |
|----------------------------|-----------|------------------|
| Local Contribution         | \$        | -                |
| Amount to be Funded        | \$        | 2,700,000        |
| WQB Grant                  | \$        | -                |
| <b>Total Project Cost:</b> | <b>\$</b> | <b>2,700,000</b> |

**Funding Conditions**

|                         |    |
|-------------------------|----|
| Loan Repayment Term:    | 20 |
| Reserve Funding Period: | 6  |

**ESTIMATED COST OF SEWER SERVICE**

| WQB Grant | WQB Loan  | Private Loan Amount | WQB Loan Interest Rate | Private Loan Interest Rate* | WQB Loan Debt Service | WQB Loan Reserve | Private Loan Debt Service | Annual Sewer | Existing Debt Service | Total Annual Sewer Cost | Monthly Sewer Cost/ERU | Sewer Cost as % of MAGI | Financial Burden |
|-----------|-----------|---------------------|------------------------|-----------------------------|-----------------------|------------------|---------------------------|--------------|-----------------------|-------------------------|------------------------|-------------------------|------------------|
|           | 0         | 2,700,000           | 0.00%                  | 4.50%                       | 0                     | 0                | 207,566                   | 300,000      | 0                     | 507,566                 | 33.41                  | 0.98%                   | LOW              |
| 135,000   | 2,565,000 | 0                   | 0.00%                  | 4.50%                       | 128,250               | 32,063           | 0                         | 300,000      | 0                     | 460,313                 | 30.30                  | 0.89%                   | LOW              |
| 135,000   | 2,565,000 | 0                   | 0.50%                  | 4.50%                       | 135,089               | 33,772           | 0                         | 300,000      | 0                     | 468,862                 | 30.86                  | 0.91%                   | LOW              |
| 135,000   | 2,565,000 | 0                   | 1.00%                  | 4.50%                       | 142,140               | 35,535           | 0                         | 300,000      | 0                     | 477,675                 | 31.44                  | 0.92%                   | LOW              |
| 135,000   | 2,565,000 | 0                   | 1.50%                  | 4.50%                       | 149,400               | 37,350           | 0                         | 300,000      | 0                     | 486,750                 | 32.04                  | 0.94%                   | LOW              |
| 135,000   | 2,565,000 | 0                   | 2.00%                  | 4.50%                       | 156,867               | 39,217           | 0                         | 300,000      | 0                     | 496,084                 | 32.65                  | 0.96%                   | LOW              |
| 135,000   | 2,565,000 | 0                   | 2.50%                  | 4.50%                       | 164,537               | 41,134           | 0                         | 300,000      | 0                     | 505,672                 | 33.29                  | 0.98%                   | LOW              |
| 135,000   | 2,565,000 | 0                   | 3.00%                  | 4.50%                       | 172,408               | 43,102           | 0                         | 300,000      | 0                     | 515,510                 | 33.93                  | 1.00%                   | LOW              |
| 135,000   | 2,565,000 | 0                   | 3.50%                  | 4.50%                       | 180,476               | 45,119           | 0                         | 300,000      | 0                     | 525,595                 | 34.60                  | 1.02%                   | LOW              |

\*Staff Estimate

| FNI Calculation                                      |             |             |       |                  |                 |
|------------------------------------------------------|-------------|-------------|-------|------------------|-----------------|
|                                                      | Local Value | State Value | Score | Weighting Factor | Weighting Score |
| Unemployment Rate                                    | 3.7%        | 3.6%        | 205   | 4                | 8.20            |
| Poverty Rate                                         | 18.6%       | 9.1%        | 2.90  | 2.5              | 7.25            |
| Threshold LQI                                        | \$ 26,957   | \$ 35,445   | 1.96  | 2.5              | 4.90            |
| Population Growth Rate                               | 9.0%        | 18.6%       | 1.97  | 1                | 1.97            |
| Financial Need Indicator (Sum of weighted Scores/10) |             |             |       |                  | <b>2.23</b>     |

2020 5 year ACS Table

\*\* <https://data.census.gov/cedsci/>

| Financial Burden Matrix |               |               |               |              |            |
|-------------------------|---------------|---------------|---------------|--------------|------------|
| FNI                     | Modified MAGI |               |               |              |            |
|                         | Below 1.4%    | 1.4% to 1.75% | 1.75% to 2.1% | 2.1% to 2.45 | Above 2.45 |
| Below 1.5               | Low           | Low           | Medium        | Medium       | High       |
| 1.5 to 2.5              | Low           | Medium        | Medium        | High         | High       |
| Above 2.5               | Medium        | Medium        | High          | High         | High       |



**ATTACHMENT 5 - Lewiston Cost Model**

| Lewiston City - Water Quality Board                                      |                   |             |                       |                        |                       |                       |                                                                                  |                      |                                    |                         |                         |                                     |                  |
|--------------------------------------------------------------------------|-------------------|-------------|-----------------------|------------------------|-----------------------|-----------------------|----------------------------------------------------------------------------------|----------------------|------------------------------------|-------------------------|-------------------------|-------------------------------------|------------------|
| 30 Year Loan Static Cost Model - Connect to Richmond MBR Treatment Plant |                   |             |                       |                        |                       |                       |                                                                                  |                      |                                    |                         |                         |                                     |                  |
| <b>Project Costs</b>                                                     |                   |             |                       |                        |                       |                       | <b>Current Customer Base &amp; User Charges</b>                                  |                      |                                    |                         |                         |                                     |                  |
| Legal - Right of Way                                                     |                   |             |                       |                        |                       | \$ 60,000             |                                                                                  |                      |                                    |                         |                         | Initial Total Customer (ERU's)      | 300              |
| Legal/Bonding -                                                          |                   |             |                       |                        |                       | \$ 59,000             |                                                                                  |                      |                                    |                         |                         | MAGI for Lewiston City(2021):       | \$47,000         |
| DWQ Loan Origination Fee                                                 |                   |             |                       |                        |                       | \$ 60,000             |                                                                                  |                      |                                    |                         |                         | Affordable Monthly Rate at 1.4%     | \$54.83          |
| Engineering - Design                                                     |                   |             |                       |                        |                       | \$ 355,000            |                                                                                  |                      |                                    |                         |                         | Impact Fee (per ERU):               | \$8,065          |
| Engineering - CMS                                                        |                   |             |                       |                        |                       | \$ 325,000            |                                                                                  |                      |                                    |                         |                         | Current Monthly Fee (per ERU)       | \$53.00          |
| Engineering - Planning                                                   |                   |             |                       |                        |                       | \$ 30,000             |                                                                                  |                      |                                    |                         |                         | Existing Debt                       | \$0              |
| Capacity Purchase to Richmond                                            |                   |             |                       |                        |                       | \$ 2,280,000          |                                                                                  |                      |                                    |                         |                         | Annual O&M Collection               | \$109,000        |
| Environmental                                                            |                   |             |                       |                        |                       | \$ 59,000             |                                                                                  |                      |                                    |                         |                         | Richmond Impact fee 4" (2023)       | \$7,952          |
| Legal Services                                                           |                   |             |                       |                        |                       | \$ 119,000            |                                                                                  |                      |                                    |                         |                         | Annual O&M for Richmond's Treatment | \$169,200        |
| Construction - Pump Station                                              |                   |             | \$ 1,700,000          |                        |                       |                       |                                                                                  |                      |                                    |                         |                         | Monthly Treatment to Richmond       | \$47             |
| Construction - Collection Sewer                                          |                   |             | \$ 1,500,000          |                        |                       |                       |                                                                                  |                      |                                    |                         |                         |                                     |                  |
| Construction - Mobilization/Demobilization                               |                   |             | \$ 500,000            |                        |                       |                       |                                                                                  |                      |                                    |                         |                         |                                     |                  |
| Construction - 8" PVC Force Main                                         |                   |             | \$ 1,500,000          |                        |                       |                       |                                                                                  |                      |                                    |                         |                         |                                     |                  |
| Construction - Decommission Lagoon                                       |                   |             | \$ 800,000            |                        |                       |                       |                                                                                  |                      |                                    |                         |                         |                                     |                  |
|                                                                          |                   |             | Construction subtotal |                        |                       | \$ 6,000,000          |                                                                                  |                      |                                    |                         |                         |                                     |                  |
| Contingency(21%)                                                         |                   |             |                       |                        |                       | \$ 1,200,000          |                                                                                  |                      |                                    |                         |                         |                                     |                  |
| <b>Total Project Cost:</b>                                               |                   |             |                       |                        |                       | <b>\$ 10,547,000</b>  |                                                                                  |                      |                                    |                         |                         |                                     |                  |
| <b>Project Funding</b>                                                   |                   |             |                       |                        |                       |                       | <b>Funding Conditions</b>                                                        |                      |                                    |                         |                         |                                     |                  |
| <b>Requested Funding by WQB</b>                                          |                   |             |                       |                        |                       | <b>\$ 6,512,000</b>   |                                                                                  |                      |                                    |                         |                         | Loan Repayment Term:                | 30               |
| Lewiston Sewer Fund                                                      |                   |             |                       |                        |                       | \$ 1,500,000          |                                                                                  |                      |                                    |                         |                         | Reserve Funding Period:             | 10               |
| USDA-RD Existing Grant                                                   |                   |             |                       |                        |                       | \$ 483,000            |                                                                                  |                      |                                    |                         |                         |                                     |                  |
| USDA-RD Existing Loan                                                    |                   |             |                       |                        |                       | \$ 2,052,000          |                                                                                  |                      |                                    |                         |                         |                                     |                  |
| <b>Total Project Cost:</b>                                               |                   |             |                       |                        |                       | <b>\$ 10,547,000</b>  |                                                                                  |                      |                                    |                         |                         |                                     |                  |
| <b>ESTIMATED COST OF SEWER SERVICE</b>                                   |                   |             |                       |                        |                       |                       | <b>USDA-RD Funding Conditions</b>                                                |                      |                                    |                         |                         |                                     |                  |
|                                                                          |                   |             |                       |                        |                       |                       |                                                                                  |                      |                                    |                         |                         | USDA-RD Loan Repayment Term         | 40               |
|                                                                          |                   |             |                       |                        |                       |                       |                                                                                  |                      |                                    |                         |                         | USDA-RD Interest Rate               | 1.875%           |
| Principal Forgiveness                                                    | WQB Grant Percent | WQB Loan    | Existing RD Loan      | WQB Loan Interest Rate | RD Loan Interest Rate | WQB Loan Debt Service | WQB Loan Reserve                                                                 | RD Loan Debt Service | Annual O&M- collection & Treatment | Total Annual Sewer Cost | Monthly Sewer Cost/ ERU | Sewer Cost as % of MAGI             | Financial Burden |
| 1,200,000                                                                | 18%               | 5,312,000   | 2,052,000             | 0.00%                  | 1.875%                | 177,067               | 26,560                                                                           | 91,722               | 278,200                            | 573,549                 | 159.32                  | 4.07%                               | HIGH             |
| 1,500,000                                                                | 23%               | 5,012,000   | 2,052,000             | 0.00%                  | 1.875%                | 167,067               | 25,060                                                                           | 91,722               | 278,200                            | 562,049                 | 156.12                  | 3.99%                               | HIGH             |
| 2,000,000                                                                | 31%               | 4,512,000   | 2,052,000             | 0.00%                  | 1.875%                | 150,400               | 22,560                                                                           | 91,722               | 278,200                            | 542,882                 | 150.80                  | 3.85%                               | HIGH             |
| 2,177,500                                                                | 33%               | 4,334,500   | 2,052,000             | 0.00%                  | 1.875%                | 144,483               | 21,673                                                                           | 91,722               | 278,200                            | 536,078                 | 148.91                  | 3.80%                               | HIGH             |
| 3,100,000                                                                | 48%               | 3,412,000   | 2,052,000             | 0.00%                  | 1.875%                | 113,733               | 17,060                                                                           | 91,722               | 278,200                            | 500,715                 | 139.09                  | 3.55%                               | HIGH             |
| 3,800,000                                                                | 58%               | 2,712,000   | 2,052,000             | 0.00%                  | 1.875%                | 90,400                | 13,560                                                                           | 91,722               | 278,200                            | 473,882                 | 131.63                  | 3.36%                               | HIGH             |
| <b>FNI Calculation</b>                                                   |                   |             |                       |                        |                       |                       | <b>Financial Burden Matrix</b>                                                   |                      |                                    |                         |                         |                                     |                  |
|                                                                          | Lewiston City     |             |                       |                        |                       |                       |                                                                                  |                      |                                    |                         |                         |                                     |                  |
|                                                                          |                   | Local Value | State Value           | Score                  | Weighting Factor      | Weighting Score       | Table **                                                                         |                      |                                    |                         |                         |                                     |                  |
| Unemployment Rate                                                        |                   | 0.9%        | 3.6%                  | 1.00                   | 4                     | 4.00                  | S2301                                                                            | FNI                  | Below 1.4%                         | 1.4% to 1.75%           | 1.75% to 2.1%           | 2.1% to 2.45                        | Above 2.45       |
| Poverty Rate                                                             |                   | 3.2%        | 8.8%                  | 1.00                   | 2.5                   | 2.50                  | S1701                                                                            | Below 1.5            | Low                                | low                     | Medium                  | Medium                              | High             |
| Threshold LQI                                                            |                   | \$42,063    | \$37,685              | 1.00                   | 2.5                   | 2.50                  | B19080                                                                           | 1.5 to 2.5           | Medium                             | Medium                  | Medium                  | High                                | High             |
| Population Growth Rate                                                   |                   | 13.6%       | 19.0%                 | 2.43                   | 1                     | 2.43                  | B01003                                                                           | Above 2.5            | Medium                             | Medium                  | High                    | High                                | High             |
| Financial Need Indicator (Sum of weighted Scores/ 10)                    |                   |             |                       |                        |                       | <b>1.14</b>           |                                                                                  |                      |                                    |                         |                         |                                     |                  |
| 2020 5 year ACS Table                                                    |                   |             |                       |                        |                       |                       | ** <a href="https://data.census.gov/cedsci/">https://data.census.gov/cedsci/</a> |                      |                                    |                         |                         |                                     |                  |

**ATTACHMENT 6 - Brian Head Cost Model**

**Project Costs**

|                              |           |                  |
|------------------------------|-----------|------------------|
| Legal/Bonding                | \$        | 30,000           |
| Loan Origination Fee         | \$        | 20,000           |
| Planning Advance             |           |                  |
| Engineering - Design & CMS   | \$        | 108,807          |
| Wastewater Collection System | \$        | 1,176,178        |
| Contingency (30%)            | \$        | 352,853          |
| <b>Total Project Cost:</b>   | <b>\$</b> | <b>1,687,838</b> |

**Project Funding**

|                            |           |                  |
|----------------------------|-----------|------------------|
| Local Contribution         | \$        | 381,589          |
| Amount to be Funded        | \$        | 1,306,249        |
| WQB Grant                  | \$        | -                |
| <b>Total Project Cost:</b> | <b>\$</b> | <b>1,687,838</b> |

**ESTIMATED COST OF SEWER SERVICE**

| WQB PF | WQB Loan  | WQB Loan Interest Rate | WQB Loan Debt Service | WQB Loan Reserve | Annual Sewer Cost | Existing Debt Service | Total Annual Sewer Cost | Monthly Sewer Cost/ ERU |
|--------|-----------|------------------------|-----------------------|------------------|-------------------|-----------------------|-------------------------|-------------------------|
| 0      | 1,306,249 | 0.00%                  | 43,542                | 10,885           | 695,565           | 0                     | 749,992                 | 44.64                   |
| 0      | 1,306,249 | 0.50%                  | 46,997                | 11,749           | 695,565           | 0                     | 754,312                 | 44.90                   |
| 0      | 1,306,249 | 1.00%                  | 50,615                | 12,654           | 695,565           | 0                     | 758,833                 | 45.17                   |
| 0      | 1,306,249 | 1.50%                  | 54,391                | 13,598           | 695,565           | 0                     | 763,554                 | 45.45                   |
| 0      | 1,306,249 | 2.00%                  | 58,324                | 14,581           | 695,565           | 0                     | 768,470                 | 45.74                   |
| 0      | 1,306,249 | 2.50%                  | 62,410                | 15,602           | 695,565           | 0                     | 773,577                 | 46.05                   |
| 0      | 1,306,249 | 3.00%                  | 66,644                | 16,661           | 695,565           | 0                     | 778,870                 | 46.36                   |
| 0      | 1,306,249 | 3.50%                  | 71,023                | 17,756           | 695,565           | 0                     | 784,343                 | 46.69                   |
| 0      | 1,306,249 | 4.00%                  | 75,541                | 18,885           | 695,565           | 0                     | 789,991                 | 47.02                   |

**Current Customer Base & User Charges**

|                                  |           |
|----------------------------------|-----------|
| Initial Total Customer (ERUs)    | 1,400     |
| MAGI for Brian Head Town (2020): | N/A       |
| Affordable Monthly Rate at 1.4%  | N/A       |
| Impact Fee (per ERU):            | \$1,097   |
| Current Monthly Fee (per ERU)    | \$42.00   |
| Debt Service                     | \$0       |
| Annual O&M Cost of Collections   | \$518,163 |
| Cost of Treatment                | \$177,402 |

**Funding Conditions**

|                         |    |
|-------------------------|----|
| Loan Repayment Term:    | 30 |
| Reserve Funding Period: | 6  |

| FNI Calculation                                      |             |             |       |                  |                 |
|------------------------------------------------------|-------------|-------------|-------|------------------|-----------------|
|                                                      | Local Value | State Value | Score | Weighting Factor | Weighting Score |
| Unemployment Rate                                    | 0.0%        | 3.5%        | 1.00  | 4                | 4.00            |
| Poverty Rate                                         | 17.1%       | 8.8%        | 2.66  | 2.5              | 6.65            |
| Threshold LQI                                        | \$ 11,250   | \$ 37,685   | 3.00  | 2.5              | 7.50            |
| Population Growth Rate                               | 96.0%       | 19.0%       | 1.00  | 1                | 1.00            |
| Financial Need Indicator (Sum of weighted Scores/10) |             |             |       |                  | <b>1.92</b>     |

Table \*\*

S2301  
 S1701  
 B19080  
 B01003

\*\* <https://data.census.gov/cedsci/>

| Financial Burden Matrix |               |               |               |              |            |
|-------------------------|---------------|---------------|---------------|--------------|------------|
| FNI                     | Modified MAGI |               |               |              |            |
|                         | Below 1.4%    | 1.4% to 1.75% | 1.75% to 2.1% | 2.1% to 2.45 | Above 2.45 |
| Below 1.5               | Low           | Low           | Medium        | Medium       | High       |
| 1.5 to 2.5              | Low           | Medium        | Medium        | High         | High       |
| Above 2.5               | Medium        | Medium        | High          | High         | High       |

**ATTACHMENT 7 - Wolf Creek Cost Model**

**WolfCreek - Water Quality Board  
20 Year Loan Static Cost Model with Projected Impact Fees**

**Project Costs**

|                                                         |           |                   |
|---------------------------------------------------------|-----------|-------------------|
| Legal/Bonding                                           | \$        | 30,000            |
| DWQ Loan Origination Fee                                | \$        | 65,000            |
| Pre-Construction Engineering & CMS                      | \$        | 1,276,788         |
| Construction - Reuse Pond                               | \$        | 4,920,918         |
| Contingency (30%) - Reuse Pond                          | \$        | 1,471,559         |
| Construction - Reuse Water Pump Station                 | \$        | 1,202,733         |
| Construction - Reuse Water delivery pipeline            | \$        | 1,473,502         |
| Contingency (15%) Reuse Water Pump Station and Pipeline | \$        | 401,437           |
| <b>Total Project Cost:</b>                              | <b>\$</b> | <b>10,441,937</b> |

**Project Funding**

|                                            |           |                   |
|--------------------------------------------|-----------|-------------------|
| Local Contribution                         | \$        | 503,935           |
| ARPA Weber County                          | \$        | 1,850,000         |
| GOEO (Local Matching and Innovation Water) | \$        | 1,500,000         |
| WQB Funding                                | \$        | 6,588,002         |
| <b>Total Project Funding:</b>              | <b>\$</b> | <b>10,441,937</b> |

**Current Customer Base & User Charges**

|                                 |           |
|---------------------------------|-----------|
| Initial Total Customer (ERUs)   | 1,157     |
| MAGI for Eden (2020):           | \$77,600  |
| Affordable Monthly Rate at 1.49 | \$90.53   |
| Impact Fee (per ERU):           | \$4,573   |
| Current Monthly Fee (per ERU)   | \$55.00   |
| Existing Sewer Debt Service     | \$638,894 |
| O&M Expenses                    | \$266,000 |

|                       |           |
|-----------------------|-----------|
| New Homes per year    | 126       |
| Impact Fees Collected | \$576,198 |

**Funding Conditions**

|                         |    |
|-------------------------|----|
| Loan Repayment Term:    | 20 |
| Reserve Funding Period: | 6  |

**ESTIMATED COST OF SEWER SERVICE- 20 Year**

| WQB Loan  | WQB Loan Interest Rate | WQB Debt Service | WQB Loan Reserve | Market Loan Interest Rate | Market Loan Amount | Market Loan Debt Service | Annual Sewer O&M Cost | Existing Debt Service | Total Annual Sewer Cost | Monthly Sewer Cost/ ERU | Financial Burden Indicator | Sewer Cost as % of MAGI |
|-----------|------------------------|------------------|------------------|---------------------------|--------------------|--------------------------|-----------------------|-----------------------|-------------------------|-------------------------|----------------------------|-------------------------|
| 6,468,122 | 0.00%                  | 80,852           | 323,406          | 3.70%                     | 0                  | 0                        | 266,000               | 638,894               | 732,954                 | 52.79                   | LOW                        | 0.82%                   |
| 6,468,122 | 2.00%                  | 98,892           | 395,569          | 3.70%                     | 119,880            | 8,588                    | 266,000               | 638,894               | 831,746                 | 59.91                   | LOW                        | 0.93%                   |
| 3,234,061 | 2.00%                  | 49,446           | 197,785          | 3.70%                     | 3,353,941          | 240,278                  | 266,000               | 638,894               | 816,205                 | 58.79                   | LOW                        | 0.91%                   |
| 6,468,122 | 3.50%                  | 113,776          | 455,104          | 3.70%                     | 119,880            | 8,588                    | 266,000               | 638,894               | 906,165                 | 65.27                   | LOW                        | 1.01%                   |
| 3,234,061 | 3.50%                  | 56,888           | 227,552          | 3.70%                     | 3,353,941          | 240,278                  | 266,000               | 638,894               | 853,414                 | 61.47                   | LOW                        | 0.95%                   |
| 2,000,000 | 3.50%                  | 35,181           | 140,722          | 3.70%                     | 4,588,002          | 328,686                  | 266,000               | 638,894               | 833,285                 | 60.02                   | LOW                        | 0.93%                   |
| 0         | 3.50%                  | 0                | 0                | 3.70%                     | 6,588,002          | 471,967                  | 266,000               | 638,894               | 800,663                 | 57.67                   | LOW                        | 0.89%                   |

**ATTACHMENT 8- South Davis Cost Model**

**ATTACHMENT 1  
 SDDS North Plant - Water Quality Board  
 20 Year Loan Static Cost Model**

**Project Costs**

|                            |           |                   |
|----------------------------|-----------|-------------------|
| Legal/Bonding              | \$        | 30,000            |
| Loan Origination Fee       | \$        | 537,000           |
| Engineering - Design       |           |                   |
| Engineering - CMS          | \$        | 6,735,000         |
| Wastewater Treatment Plant | \$        | 37,956,000        |
| Contingency (13%)          | \$        | 8,979,000         |
| <b>Total Project Cost:</b> | <b>\$</b> | <b>54,237,000</b> |

**Current Customer Base & User Charges**

|                                 |             |
|---------------------------------|-------------|
| Initial Total Customer (ERU's)  | 43,766      |
| MAGI for SDDS (2020):           | \$57,603    |
| Affordable Monthly Rate at 1.4% | \$67.20     |
| Impact Fee (per ERU):           | \$2,453     |
| Current Monthly Fee (per ERU)   | \$26.00     |
| Debt Service                    | \$1,401,950 |
| Annual O&M expense              | \$8,000,000 |

**Project Funding**

|                            |           |                   |
|----------------------------|-----------|-------------------|
| Local Contribution         | \$        | 5,000,000         |
| Amount to be Funded        | \$        | 49,237,000        |
| WQB Grant                  | \$        | -                 |
| <b>Total Project Cost:</b> | <b>\$</b> | <b>54,237,000</b> |

**Funding Conditions**

|                         |    |
|-------------------------|----|
| Loan Repayment Term:    | 20 |
| Reserve Funding Period: | 6  |

**ESTIMATED COST OF SEWER SERVICE**

| WQB Loan   | Private Loan Amount | WQB Loan Interest Rate | Private Loan Interest Rate* | WQB Loan Debt Service | WQB Loan Reserve | Private Loan Debt Service | Annual Sewer | Existing Debt Service | Total Annual Sewer Cost | Monthly Sewer Cost/ ERU | Sewer Cost as % of MAGI | Financial Burden |
|------------|---------------------|------------------------|-----------------------------|-----------------------|------------------|---------------------------|--------------|-----------------------|-------------------------|-------------------------|-------------------------|------------------|
| 0          | 49,237,000          | 0.00%                  | 4.50%                       | 0                     | 0                | 3,785,151                 | 8,000,000    | 1401950               | 13,187,101              | 25.11                   | 0.52%                   | LOW              |
| 45,000,000 | 4,237,000           | 0.00%                  | 4.50%                       | 2,250,000             | 562,500          | 325,724                   | 8,000,000    | 1401950               | 12,540,174              | 23.88                   | 0.50%                   | LOW              |
| 40,000,000 | 9,237,000           | 3.50%                  | 4.50%                       | 2,814,443             | 703,611          | 710,105                   | 8,000,000    | 1401950               | 13,630,109              | 25.95                   | 0.54%                   | LOW              |
| 35,000,000 | 14,237,000          | 3.50%                  | 4.50%                       | 2,462,638             | 615,659          | 1,094,486                 | 8,000,000    | 1401950               | 13,574,733              | 25.85                   | 0.54%                   | LOW              |
| 30,000,000 | 19,237,000          | 3.50%                  | 4.50%                       | 2,110,832             | 527,708          | 1,478,866                 | 8,000,000    | 1401950               | 13,519,357              | 25.74                   | 0.54%                   | LOW              |
| 25,000,000 | 24,237,000          | 3.50%                  | 4.50%                       | 1,759,027             | 439,757          | 1,863,247                 | 8,000,000    | 1401950               | 13,463,981              | 25.64                   | 0.53%                   | LOW              |
| 20,000,000 | 29,237,000          | 3.50%                  | 4.50%                       | 1,407,222             | 351,805          | 2,247,628                 | 8,000,000    | 1401950               | 13,408,605              | 25.53                   | 0.53%                   | LOW              |
| 15,000,000 | 34,237,000          | 3.50%                  | 4.50%                       | 1,055,416             | 263,854          | 2,632,009                 | 8,000,000    | 1401950               | 13,353,229              | 25.43                   | 0.53%                   | LOW              |
| 10,000,000 | 39,237,000          | 3.50%                  | 4.50%                       | 703,611               | 175,903          | 3,016,389                 | 8,000,000    | 1401950               | 13,297,853              | 25.32                   | 0.53%                   | LOW              |
| 5,000,000  | 44,237,000          | 3.50%                  | 4.50%                       | 351,805               | 87,951           | 3,400,770                 | 8,000,000    | 1401950               | 13,242,477              | 25.21                   | 0.53%                   | LOW              |

\*Staff Estimate

| FNI Calculation                                      |             |             |       |                  |                 |
|------------------------------------------------------|-------------|-------------|-------|------------------|-----------------|
|                                                      | Local Value | State Value | Score | Weighting Factor | Weighting Score |
| Unemployment Rate                                    | 2.5%        | 3.5%        | 1.50  | 4                | 6.00            |
| Poverty Rate                                         | 5.7%        | 8.8%        | 1.00  | 2.5              | 2.50            |
| Threshold LQI                                        | \$ 42,786   | \$ 37,685   | 1.00  | 2.5              | 2.50            |
| Population Growth Rate                               | 8.4%        | 19.0%       | 2.11  | 1                | 2.11            |
| Financial Need Indicator (Sum of weighted Scores/10) |             |             |       |                  | <b>1.31</b>     |

Table \*\*  
 S2301  
 S1701  
 B19080  
 B01003

\*\* <https://data.census.gov/cedsci/>

| Financial Burden Matrix |               |               |               |              |            |
|-------------------------|---------------|---------------|---------------|--------------|------------|
| FNI                     | Modified MAGI |               |               |              |            |
|                         | Below 1.4%    | 1.4% to 1.75% | 1.75% to 2.1% | 2.1% to 2.45 | Above 2.45 |
| Below 1.5               | Low           | Low           | Medium        | Medium       | High       |
| 1.5 to 2.5              | Low           | Medium        | Medium        | High         | High       |
| Above 2.5               | Medium        | Medium        | High          | High         | High       |