



State of Utah

SPENCER J. COX
Governor

DEIDRE HENDERSON
Lieutenant Governor

Department of
Environmental Quality

Kimberly D. Shelley
Executive Director

DIVISION OF WATER QUALITY
Erica Brown Gaddis, PhD
Director

Water Quality Board
Steven K. Earley
Brandon Gordon
Michela Harris
Joseph Havasi
Trevor Heaton
Michael D. Luers
Emily Niehaus
Kimberly D. Shelley
James Webb
Dr. Erica Brown Gaddis
Executive Secretary

Utah Water Quality Board Meeting
MASOB
195 North 1950 West
Board Room 1015
Salt Lake City, UT 84116
and
Via Zoom

October 27, 2021
Board Meeting Begins at 8:30 am

AGENDA

Water Quality Board Meeting – Roll Call

A. Nomination and Confirmation of Chair and Vice Chair

B. Minutes:

Approval of Minutes for August 25, 2021 Water Quality Board Meeting..... Chair Elect

C. Recognition of Outgoing WQ Board MembersErica Gaddis

D. Executive Secretary’s ReportErica Gaddis

E. Funding:

- 1. Financial Report..... Krystol Carfaro
2. Planning Advance Request - Salina City..... Beth Wondimu

F. Other

- 1. 2020 MWPP Results Summary..... Harry Campbell

G. Public Comment Period

H. Meeting Adjournment

Next Meeting December 15, 2021 at 8:30 am
DEQ Board Room 1015
195 North 1950 West
Salt Lake City, UT 84116
Via Zoom

DWQ-2021-020042
Revised 10/14/2021

In compliance with the American Disabilities Act, individuals with special needs (including auxiliary communicative aids and services) should contact Larene Wyss, Office of Human resources, at (801) 536-4281, TDD (801) 536-4284, or by email at lwyss@utah.gov at least five working days prior to the scheduled meeting.

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MINUTES

**UTAH DEPARTMENT OF ENVIRONMENTAL QUALITY
UTAH WATER QUALITY BOARD
MASOB
and
Via Zoom**

August 25, 2021
8:30 am Board Meeting

UTAH WATER QUALITY BOARD MEMBERS PRESENT

Steven Earley	Mike Luers
Gregg Galecki	Emily Niehaus
Jennifer Grant	James VanDerslice
Brandon Gordon	James Webb

Excused Kim Shelley

DIVISION OF WATER QUALITY STAFF MEMBERS PRESENT

Meghan Albers	Glen Lischeske
Jennifer Berjikian	Leanna Littler-Woolf
Amy Dickey	John Mackey
Harry Campbell	George Meados
Emily Cantón	Kevin Okleberry
Krystol Carfaro	Christine Osborne
Eric Castrejon	Winnie Pan
Skyler Davies	Andrew Pompeo
Judy Etherington	Jeanne Riley
Erica Gaddis	Jen Robinson
Jodi Gardberg	Lonnie Shull
Dan Hall	Lisa Stevens
Clanci Hawks	Jeff Studenka
Samantha Heusser	Sarah Ward
Ken Hoffman	Sandy Wingert
Brenda Johnson	Beth Wondimu

OTHERS PRESENT

Chris Otto	DEQ
Jay Olsen	UDAF
Ren Lambert	Limno Tech

Jeffrey Van Blarcom	SLC Composite
Søren Simonson	Jordan River Commission
Devan Shields	Sunrise Engineering
Justin Atkinson	Sunrise Engineering
Jason Poulson	Pleasant Grove City
Mike Olson	Mount Pleasant City
Dave Oxman	Mount Pleasant City
Colter Allen	Mount Pleasant City

Ms. Grant called the Board Meeting to order at 8:30 AM and took roll call for the members of the Board and audience.

APPROVAL OF MINUTES OF JUNE 23, 2021 BOARD MEETING

Motion: Mr. Earley moved to approve the minutes of the June 23, 2021 Board meeting.

Mr. Gordon seconded the motion. The motion passed with a majority vote with no response from Mr. Galecki.

EXECUTIVE SECRETARY REPORT

Dr. Gaddis addressed the Board with the following updates.

National

- Infrastructure Funding Bill
 - Infrastructure Investment & Jobs Act (H.R. 3684) – \$1.2 trillion
 - Clean Water State Revolving Fund (SRF) - \$11.7 billion
 - Drinking Water State Revolving Fund (SRF) - \$11.7 billion
 - Clean Water State Revolving Fund (SRF) - \$1 billion
 - Wastewater Energy Efficiency Grant Pilot Program - \$100 million
 - Clean Water Infrastructure Resiliency and Sustainability Grant Program - \$125 million
 - Stormwater Infrastructure Technology Program
 - Stormwater Centers of Excellence - \$25 million
 - Planning/Development and Implementation Grants - \$50 million

State

- ARPA Funding
 - GOPB Program
 - Accepting Applications from August 15th until September 16th
 - Eligibility for Secondary Water Metering and Ag Water Optimization
- Partnering with DNR on Utah Lake HAB Treatment
- GottaGo Initiative
- Utah Lake Implementation Planning Process

Water Quality Board

- New Members Appointed and soon to be Confirmed by Senate
 - Trevor Heaton, Kennecott

- Joe Havasi, GSL Minerals
- Michela Harris, Weber Morgan Health Department

Division Management

- DWQ Staff
 - Return to office September 1st unless “A New Workplace Telework” employee
- New Staff
 - George Meados
- Finalized FY22 Budget
 - Building Block for Regulatory Database
 - Innovation Grant Application
 - Biological and HAB Data
 - Sample Tracking Database
 - Exchange Network Grant
 - High Frequency Data
 - Operator Certification Database

FUNDING REQUESTS

Financial Report: Ms. Carfaro updated the Water Quality Board on the Loan Funds and Hardship Grant Funds as indicated in the packet.

Planning Advance Request – Mount Pleasant City Mr. Lischeske presented the Board with a request for a hardship planning advance in the amount of \$50,000 to develop a master plan and capital facilities plan to determine recommended collection and treatment system improvements and priorities.

Motion: Mr. Galecki moved to approve the staff recommendations with special conditions that the Division of Water Quality must approve the engineering agreement and plan of study before the advance will be executed.

Mr. Luers seconded the motion. The motion passed unanimously.

RULE MAKING

Spring Creek (Heber) E. coli Total Maximum Daily Load Study – Initiate Rule Making: Ms. Wingert requested that the Board initiate Rule Making for adoption of TMDL by reference into [R317-1-7](#).

Motion: Mr. Galecki moved to approve the staff recommendations that Rule Making be initiated for adoption of TMDL by reference into [R317-1-7](#).

Ms. Niehaus seconded the motion. The motion passed with a majority vote and a nay vote from Mr. Webb and no response from Dr. VanDerslice.

OTHER

American Chemical, LLC Notice of Violation Settlement: Mr. Okleberry presented the Board with a request for approval of a Settlement Agreement and Order of Consent for a total settlement in the amount of \$27,519.34.

Motion: Mr. Earley moved to approve the staff recommendation that the settlement be approved.

Mr. Galecki seconded the motion. The motion passed with a majority vote with Mr. Gordon recusing himself because of a conflict of interest.

Sewer Overflow & Stormwater Reuse Municipal Grants Program (OSG) Plan: Ms. Stevens introduced to the Board the Sewer Overflow & Stormwater Reuse Municipal Grants Program (OSG) Plan.

PUBLIC COMMENTS

Mr. Søren Simonson with the Jordan River Commission addressed the Board with a request to include the Jordan River Commission in any information that may be distributed for the new OSG Plan.

MEETING ADJOURNMENT

Motion: Mr. Luers moved to adjourn the meeting.

Ms. Niehaus seconded the motion. The motion passed unanimously.

To view the full recording of the Water Quality Board meeting.
<https://deq.utah.gov/boards/utah-water-quality-board-meetings>

Next Meeting – September 22, 2021
Meeting begins at 8:30 am

In-Person
MASOB
195 North 1950 West
Salt Lake City, UT 84116

Via Zoom
<https://us02web.zoom.us/j/7074990271>

Chair
Utah Water Quality Board

LOAN FUNDS FINANCIAL STATUS REPORT OCTOBER 2021

	State Fiscal Year 2022	State Fiscal Year 2023	State Fiscal Year 2024	State Fiscal Year 2025	State Fiscal Year 2026	State Fiscal Year 2027
STATE REVOLVING FUND (SRF)						
Funds Available						
Capitalization Grants Awards (FFY19 - 21)	22,092,801	-	-	-	-	-
State Match (FFY20 - 21)	3,343,000	-	-	-	-	-
Future Capitalization Grants (estimated)	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000
Future State Match (estimated)	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000
SRF - 2nd Round	46,277,174	18,352,087	5,304,252	15,527,554	45,358,167	75,266,433
Interest Earnings at 0.4252%	147,578	78,033	22,554	66,023	192,863	320,033
Loan Repayments (5255)	9,283,829	17,484,132	20,400,749	20,164,590	20,115,402	16,678,941
Total Funds Available	90,744,382	45,514,252	35,327,554	45,358,167	75,266,433	101,865,406
Project Obligations						
Central Valley Water Reclamation Facility	(23,300,000)	(6,800,000)	-	-	-	-
Duchesne City	(27,295)	-	-	-	-	-
Moab City	(80,000)	-	-	-	-	-
Provo City	(34,045,000)	(20,000,000)	(8,800,000)	-	-	-
South Salt Lake City (A)	(2,290,000)	(234,000)	-	-	-	-
Millville City	(1,150,000)	-	-	-	-	-
Loan Authorizations						
South Davis Sewer District (with NPS)	(7,000,000)	(7,176,000)	-	-	-	-
Mountain Green	(1,500,000)	(4,000,000)	(1,500,000)	-	-	-
Payson City		(2,000,000)	(9,500,000)	-	-	-
Millville	(3,000,000)					
Planned Projects						
None at this time						
Total Obligations	(72,392,295)	(40,210,000)	(19,800,000)	-	-	-
SRF Unobligated Funds	\$ 18,352,087	\$ 5,304,252	\$ 15,527,554	\$ 45,358,167	\$ 75,266,433	\$ 101,865,406

	State Fiscal Year 2022	State Fiscal Year 2023	State Fiscal Year 2024	State Fiscal Year 2025	State Fiscal Year 2026	State Fiscal Year 2027
UTAH WASTEWATER LOAN FUND (UWLF)						
Funds Available						
UWLF	20,972,573	14,155,290	10,695,178	13,491,869	16,623,003	19,601,257
Sales Tax Revenue	737,211	3,587,500	3,587,500	3,587,500	3,587,500	3,587,500
Loan Repayments (5260)	1,748,956	2,495,988	2,473,791	2,808,235	2,655,353	2,270,341
Total Funds Available	23,458,740	20,238,778	16,756,469	19,887,603	22,865,857	25,459,098
General Obligations						
State Match Transfers	(4,943,000)	(1,600,000)	(1,600,000)	(1,600,000)	(1,600,000)	(1,600,000)
DWQ Administrative Expenses	(1,248,450)	(1,664,600)	(1,664,600)	(1,664,600)	(1,664,600)	(1,664,600)
Project Obligations						
Kane Co Water Conservancy Dist (Duck Creek)			-	-	-	-
South Salt Lake City (B)	(3,112,000)	(1,779,000)	-	-	-	-
Loan Authorizations						
Spanish Fork	-	(4,500,000)	-	-	-	-

LOAN FUNDS FINANCIAL STATUS REPORT OCTOBER 2021

Planned Projects						
None at this time		-	-	-	-	-
Total Obligations		(9,303,450)	(9,543,600)	(3,264,600)	(3,264,600)	(3,264,600)
UWLF Unobligated Funds		\$ 14,155,290	\$ 10,695,178	\$ 13,491,869	\$ 16,623,003	\$ 19,601,257
Total Loan Fund Balance		32,507,377	15,999,430	29,019,423	61,981,171	94,867,689
Project Reserve			(5,000,000)	(10,000,000)	(15,000,000)	(20,000,000)
Total Available Loan Funds		32,507,377	10,999,430	19,019,423	46,981,171	74,867,689

HARDSHIP GRANT FUNDS FINANCIAL STATUS REPORT OCTOBER 2021

HARDSHIP GRANT FUNDS (HGF)	State Fiscal Year 2022	State Fiscal Year 2023	State Fiscal Year 2024	State Fiscal Year 2025	State Fiscal Year 2026	State Fiscal Year 2027
Funds Available						
Beginning Balance		1,687,109	1,921,286	2,293,716	2,581,320	2,684,222
Federal HGF Beginning Balance (5250)	4,080,938	-	-	-	-	-
State HGF Beginning Balance (5265)	2,386,997	-	-	-	-	-
Interest Earnings at 0.4252%	20,626	7,174	8,169	9,753	10,976	11,413
UWLF Interest Earnings at 0.4252%	66,882	60,188	45,476	57,367	70,681	83,345
Hardship Grant Assessments (5255)	424,820	1,097,077	1,021,544	945,012	767,302	690,077
Interest Payments - (5260)	149,120	319,738	297,241	275,471	253,943	232,597
Advance Repayments	-	-	-	-	-	-
Total Funds Available	7,129,383	3,171,286	3,293,716	3,581,320	3,684,222	3,701,654
Financial Assistance Project Obligations						
Eagle Mountain City - Construction Grant	(510,000)	-	-	-	-	-
Emigration Sewer Imp Dist - Planning Grant	(26,158)	-	-	-	-	-
Kane Co Water Conservancy Dist (Duck Creek) - Hardship Grant	-	-	-	-	-	-
Lewiston City - Design and Construction	(274,000)	-	-	-	-	-
Millville City - Design and Construction	(1,000,000)	-	-	-	-	-
Mount Pleasant Planning Advance	(50,000)	-	-	-	-	-
Spanish Fork - Hardship Grant	(250,000)	(250,000)	-	-	-	-
Non-Point Source/Hardship Grant Obligations						
Fitzgerald ARDL interest-rate buy down	(51,056)	-	-	-	-	-
McKees ARDL interest-rate buy down	(55,261)	-	-	-	-	-
Munk Dairy ARDL interest-rate buy down	(16,017)	-	-	-	-	-
(FY12) Utah Department of Agriculture	(246,016)	-	-	-	-	-
(FY15) DEQ - Ammonia Criteria Study	(27,242)	-	-	-	-	-
(FY17) DEQ - Utah Lake Water Quality Study	(348,301)	-	-	-	-	-
(FY20) Wasatch Co Health Dept Ground WQ Study	(13,037)	-	-	-	-	-
USU - Historic Trophic State/Nutrient Concentrations Paleo	(99,226)	-	-	-	-	-
FY 2018 - Remaining Payments	(16,000)	-	-	-	-	-
FY 2019 - Remaining Payments	(111,419)	-	-	-	-	-
FY 2020 - Remaining Payments	(421,873)	-	-	-	-	-
FY 2021 - Remaining Payments	(543,984)	-	-	-	-	-
FY 2022 - Remaining Payments	(982,683)	-	-	-	-	-
Future NPS Annual Allocations		(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)
Planned Projects						
*Salina Design Advance	(400,000)	-	-	-	-	-
Total Obligations	(5,442,274)	(1,250,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)
HGF Unobligated Funds	\$ 1,687,109	\$ 1,921,286	\$ 2,293,716	\$ 2,581,320	\$ 2,684,222	\$ 2,701,654

State of Utah
Wastewater Project Assistance Program
Project Priority List

As of October 13, 2021

Rank	Project Name	Funding Authorized	Total Points	Point Categories			
				Project Need	Potential Improvement	Population Affected	Special Consideration
1	South Davis Sewer District	x	138	50	18	10	60
2	Payson	x	120	35	17	8	60
3	Spanish Fork Water Reclamation Facility	x	117	50	19	8	40
4	Millville City	x	114	45	46	3	20
5	Mountain Green	x	108	50	14	4	40
6	Lewiston City	x	67	10	16	1	40



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**WATER QUALITY BOARD
FEASIBILITY REPORT FOR HARDSHIP DESIGN GRANT
AUTHORIZATION**

APPLICANT: Salina City
PO Box 69
Salina Utah 84654
Telephone: 435-529-7304

PRESIDING OFFICIAL: Mayor Jed Maxwell

TREASURER: Kathy Maxwell

RECORDER: Ashlee Larsen

CITY ATTORNEY: David A. Blackwell
David A. Blackwell
PO Box 727
Ferron, Utah 84523
435-749-9888

BOND COUNSEL: Richard Chamberlain
Chamberlain Associates
225 North 100 East
Richfield, Utah 84701
435-896-4461

APPLICANT'S REQUEST:

Salina City is requesting a **hardship grant of \$400,000** for design and other pre-construction costs related to improvement of a wastewater collection and lagoon treatment facility plant.

APPLICANT’S LOCATION

Salina City is located in Sevier County. Salina is a community at the northern edge of Sevier County.



BACKGROUND:

The original wastewater collection system was installed in the 1930s. The sanitary collection system consists of 23 miles of gravity sewer lines. The Salina City wastewater collection system is comprised of approximately 119,703 feet of sewer pipe, including approximately 4,910 feet of vitrified clay pipe (VCP), 23,570 feet of concrete pipe, 1,830 feet of double walled PVC pipe, 370 feet of ductile pipe, and 89,023 feet of PVC pipe. Approximately one-third of the system was replaced with PVC pipe during a project in 2001.

The system also includes one lift station and 1 mile of pressurized sewer line. The lift station carries the wastewater from the southwest corner of the City to the location of the lagoon system.

The lagoon treatment system was constructed in 1986. A three-cell lagoon system treats the wastewater collected by the collection system. The lagoons are designed as a total containment system with one primary cell, one secondary cell, and a winter storage cell. Salina City cleaned and video inspected the collection system in 2020.

PROJECT NEED:

Collection System

The proposed improvements identified include replacing approximately 44,100 feet of sewer mains along with associated manholes and service connections and installing a new sewer interceptor line to the lagoons for future growth.

Lift Station Rehab

The existing lift station has an emergency generator. However, the generator is inadequate to sufficiently power the lift station in emergency situations. In order to best estimate the needed size of a generator for current and future demands, it is essential for the electrical analysis of the lift station to be completed. In addition, the odor control system in the lift station is insufficient to operate correctly and should be prioritized for replacement.

New Lift Station

The City identified a low area southwest of Sunset Drive that has already had the collection system constructed with very flat slopes, and that continues to receive additional development pressure. In order to better serve this area and accommodate the continued growth in this area, a lift station will be constructed along with required appurtenances.

Lagoon Upgrades

The existing lagoons do not have an adequate headworks system, and currently do not have any screening capability. A new headworks building with screens will be constructed at the lagoon to remove undesirable solids such as trash, wipes, and other decomposable products.

PROJECT DESCRIPTION:

The City has prioritized the recommended improvements as follows:

1. Improvement of existing lift station
2. Instating of new lift station
3. Replacement failing VCP, concrete, double walled PVC and ductile iron pipe
4. Upgrade headworks building and add new screen to the Lagoon System

ALTERNATIVES EVALUATED

Saline City has evaluated alternatives included.

1. No action and continue to use the existing collection and treatment lagoon system.
2. Replacement of all non-PVC pipes and replacement of failed PVC pipes, upgrade of lift station, and Lagoon headworks & screen.

The recommended alternative is No. 2, which are replacement of failed sewer pipelines, construct a new lift station and improvement of lagoon headwork and screen.

IMPLEMENTATION SCHEDULE

Apply to WQB for Design Advance:	October 2021
Start Design	November 2021
Start Construction	May 2022
Complete Construction	May 2023

PUBLIC PARTICIPATION AND DEMONSTRATION OF PUBLIC SUPPORT:

The City held a public meeting in September 2021 to discuss the system-wide repair and replacement needs as required by the Utah Wastewater State Revolving Fund (SRF) program. The City will hold a final public hearing once funding is secured.

APPLICANT'S CURRENT USER CHARGE:

The City currently charges residential sewer rates of \$22 per month.

COST ESTIMATE

Planning (EA/PER)	\$20,000
Pre-Construction Engineering	\$691,000
Special Engineering (Survey, Geotech & Environmental)	\$115,000
Engineering CMS/Other	\$1,098,000
Legal - Bonding	\$30,000
Legal - Right of way & Easement	\$20,000
Construction – Collection System – sewer	\$6,918,500
Construction – Collection System – existing lift station upgrades	\$56,500
Construction – Collection System – new lift station	\$1,148,500
Construction – Interception sewer	\$400,200
Construction – Lagoon Treatment System & SCADA upgrades	\$1,382,000
Land acquisition	\$25,000
Mobilization	\$880,000
Contingency	\$1,777,300
<i>Total Project Cost:</i>	<i>\$14,562,000</i>

EFFORTS TO SECURE FINANCING FROM OTHER SOURCES:

The City is in the process of applying for construction assistance from both the Permanent Community Impact Board (CIB) and Governor's Office of Planning and Budget (GOPB) for

American Rescue Plan Act (ARPA) grant funding.

The total cost of the project is estimated at \$14,562,000. The City is requesting \$400,000 in grant from the Water Quality Board to fund design work. The City will request CIB fund in the amount of \$12,962,000. This request will be presented during the CIB’s meeting that will be held in December 2021. In addition, the City has requested the GOPB Grant funding in the amount of \$1,000,000 in September 2021. The City also intends to provide \$200,000 in local contribution.

COST SHARING:

The following is the summary of cost sharing is proposed for this project:

<u>Funding Source</u>	<u>Cost Sharing</u>	<u>Percent of Project</u>
Local Contribution	\$200,000	1%
WQB Grant – Design Advance	\$400,000	3%
CIB Grant & Loan	\$12,962,000	89%
GOPB (state) Grant	\$1,000,000	7%
Total:	\$14,562,000	100%

ESTIMATED ANNUAL COST FOR SEWER SERVICE:

The static model of financing alternatives considered is given in Attachment 1. The basic cost model used in financial alternatives for the project are provided below:

Operation & Maintenance – Annual	\$340,800
Existing Sewer Debt Service - Annual	\$3,528
Current ERC	1,102
Current Monthly Cost / ERU	\$22.00
WQB hardship consideration threshold 1.4% MAGI (\$42,500 in 2020)	\$49.58
Estimated monthly rate for 20-year loan at 0%	\$93.94

If the City is able to obtain its requested funding from all other sources, the City will likely have to raise its sewer rates above \$90 per month to afford of this project.

FINANCIAL BURDEN EVALUATION:

The cost for sewer service shows the City will qualify for grant consideration as part of a funding package under the State Affordability Criteria. In accordance with the Board’s Financial Burden Evaluation Policy for the Utah Wastewater Project Assistance Program, staff utilized data from the United State Census Bureau (census) website (<https://data.census.gov/cedsci/>) to calculate the City’s Financial Need Indicator (FNI). The calculated FNI is 2.15 which is the mid-range of the FNI. Staff compared this FNI to the percent modified MAGI in the Financial Burden Matrix and displayed the Financial Burden in Attachment 1. **Based on the Financial Burden Evaluation Policy for the Utah Wastewater Project Assistance Program, the community has a Financial Burden of Medium or High.**

STAFF COMMENTS AND RECOMMENDATION:

Staff supports the City’s request for funding as it believes that the project is essential to upgrade the collection system and lagoon treatment system improvements. Funding this design advance will demonstrate support from the Water Quality Board and allow design to be expedited while providing a relevantly small percentage of the overall project funding. As the City is proposing a multi-agency funding package, staff reached out to CIB to discuss repayment of a DWQ Design Advance at construction funding. CIB clearly stated: CIB cannot repay a DWQ Board Planning or Design Advance as part of a construction funding package. Utah rule requires “once the long-term project financing has been secured, the Project Design Advance must be expeditiously repaid to the Board.” Staff believes this allows the Board four options; 1) require the City to return to the Board to fund part of the construction funding, 2) provide all or part of the advance as a loan which would require a loan closing, 3) provide terms for the design advance to be repaid to the hardship grant fund, or 4) provide the design advance as 100% grant funding.

Staff is concerned if this is provided as a design grant that the lack of the funds returning to the hardship grant fund could hinder the Board’s ability to provide planning or design advances to communities in the future. If the Board wishes to support the City with grant funding, staff believes the Board has a much greater financial capability to bring principal forgiveness as part of a construction funding package. Thus, staff is recommending the Board select Option 1 for the City to return to the Board to fund at a minimum the construction of the upgrades to the lagoon treatment system. By having the City return, the Board will be able to consider bringing principal forgiveness as part of a construction funding package.

STAFF RECOMMENDATION:

Staff recommends that the Water Quality Board **authorize a \$400,000 Design Advance** to the Salina City for the Pre-Construction Engineering Cost for the Project.

It is recommended that this funding is subject to the following special condition:

SPECIAL CONDITIONS:

1. The City must return to the Board for some construction project funding assistance.
2. The Design Advance must be expeditiously repaid to the Board once long-term project financing has been secured.
3. The City must agree to participate annually in the Municipal Wastewater Planning Program (MWPP).
4. As part of the facility planning, the City must complete a Water Conservation and Management Plan.

**Salina City – Water Quality Board
20 Year Loan Static Cost Model
(Attachment 1)**

ESTIMATED COST OF SEWER SERVICE										
WQB Grant Amount	WQB Loan Amount	WQB Loan Interest Rate	WQB Loan Debt Service	WQB Loan Reserve	Annual Sewer O&M Cost	Existing Debt Service	Total Annual Sewer Cost	Monthly Sewer Cost/ERU	Sewer Cost as a % of MAGI	Financial Burden
-	14,362,000	0.00%	718,100	179,525	340,800	\$3,528	1,241,953	93.92	2.65%	High
2,000,000	12,562,000	0.00%	628,100	157,025	340,800	\$3,528	1,129,453	85.41	2.41%	High
4,500,000	10,062,000	0.00%	503,100	125,775	340,800	\$3,528	973,203	73.59	2.08%	High
4,350,000	10,212,000	0.00%	510,600	127,650	340,800	\$3,528	982,578	74.30	2.10%	Medium
7,100,000	7,462,000	0.00%	373,100	93,275	340,800	\$3,528	810,703	61.31	1.73%	Medium
9,000,000	5,562,000	0.00%	278,100	69,525	340,800	\$3,528	691,953	52.33	1.48%	Medium
9,600,000	4,962,000	0.00%	248,100	62,025	340,800	\$3,528	654,453	49.49	1.40%	Medium
9,760,000	4,802,000	0.00%	240,100	60,025	340,800	\$3,528	644,453	48.73	1.38%	low
10,000,000	4,562,000	0.00%	228,100	57,025	340,800	\$3,528	629,453	47.60	1.34%	low
12,000,000	2,562,000	0.00%	128,100	32,025	340,800	\$3,528	504,453	38.15	1.08%	low

Project Description		Current Customer Base & User Charges	
Planning	\$20,000	Initial Total Customer (ERU's)	1,102
Land/Right-of-way	\$20,000	MAGI for Salina City (2020):	\$42,500
Legal/Bonding	\$30,000	Affordable Monthly Rate at 1.4%	\$49.58
Engineering - Geotech,	\$115,000	Impact Fee (per ERU):	\$2,900
Engineering - Design	\$691,000	Current Monthly Fee (per ERU)	\$21.50
Engineering - CMS	\$1,098,000	Existing Sewer Debt Service	\$3,528
Construction	\$10,855,000	Annual O&M expensive	\$340,800
Contingency	\$1,733,000	Financial Need Indicator	2.15
Total Project Cost:	\$14,562,000		

Project Funding		Funding Conditions	
Local Contribution	\$200,000	Loan Repayment Term:	20
WQB/CIB/GOPE Financing	\$14,362,000	Reserve Funding Period:	6
Total Project Cost:	\$ 14,562,000		

Table 1. FNI Calculation					
	Local Value	State Value	Score	Weighting	Weighting
unemployment rate	5.3%	3.6%	2.01	4	8.04
Poverty Rate	15.2%	9.8%	2.08	2.5	5.20
Threshold LQI	\$ 24,500	\$ 33,773	2.10	2.5	5.25
Population Growth Rate	-1.9%	16.5%	3.00	1	3.00
Financial Need Indicator (Sum of weighted Scores/10)					2.15
2020 Population for 5 years	2,580	3,096,848			
2010 Population for 5 years	2,630	2,657,236			
	Financial				
	Modified				
FNI	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



State of Utah

SPENCER J. COX
Governor

DEIDRE HENDERSON
Lieutenant Governor

Department of
Environmental Quality

Kimberly D. Shelley
Executive Director

DIVISION OF WATER QUALITY
Erica Brown Gaddis, PhD
Director

Water Quality Board

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Michael D. Luers
Emily Niehaus
Kimberly D. Shelley
James Webb
Dr. Erica Brown Gaddis
Executive Secretary

MEMORANDUM

TO: Utah Water Quality Board

THROUGH: Erica Gaddis, PhD

FROM: Harry Campbell, P.E.

DATE: October 27, 2021

SUBJECT: Presentation of the 2020 MWPP to the WQ Board

The Municipal Wastewater Planning Program (MWPP) is a requirement under Utah Administrative Code (UAC) R317-101-3.H. for any political subdivision receiving assistance from the Water Quality Board from the Utah Wastewater Project Assistance Program. Survey questions are specifically designed to address the unique characteristics of four system groups: Collections, Treatment, Collections and Treatment, and Small Lagoons.

Promoting the use of asset management principles is implicit in the survey; however, further education and outreach especially for smaller utilities regarding asset management on an ongoing basis would be beneficial for the wastewater community. The survey does not touch on all facets of asset management.

There have been significant efforts in the past to improve the quality of the survey. Questions have been added and revised to enrich the data gathered. It may be that we discover other questions or thoughts that are so important that we must add more to the survey, but part of our objective is to be able to compare results year to year. For this reason, we attempt to minimize the alterations each year so that comparisons are consistent. It is our hope that the comparison of survey years will allow us to see progress made or discover systemic gaps where we can focus increased awareness or provide outreach that improves management and effectiveness of the wastewater industry in Utah.

I. RESULTS

Survey was 69% for utilities permitted under UPDES and was 39% for non-discharging facilities permitted under the state operating permit program. During 2021, approximately 1,603

commercial/industrial connections 27,957 residential connections were added. The survey respondents reported eight Class 1 Sanitary Sewer Overflows (SSOs) and 57 Class 2 SSOs.

Facilities reported a total capital improvement cost of \$2.7 billion for projects planned in the current 5 year cycle. The following chart shows the highest 10 responses and the rest of the state. Further results will be discussed during the Board meeting presentation.

