



State of Utah

SPENCER J. COX
Governor

DEIDRE HENDERSON
Lieutenant Governor

Department of Environmental Quality

Tim Davis
Executive Director

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

Water Quality Board

James Webb, Chair
Michelle Kaufusi, Vice Chair
Jeannie Simmonds
Robert Fehr
Michela Harris
Joseph Havasi
Trevor Heaton
Jill Jones
Tim Davis
John K. Mackey, P.E.
Executive Secretary

Utah Water Quality Board Meeting MASOB Board Room & Via [Zoom](#) 195 North 1950 West Salt Lake City, Ut 84116 October 22, 2025 Board Meeting Begins at 8:30 AM

AGENDA

Water Quality Board Meeting – Call to Order & Roll Call

James Webb

Minutes:

Approval of Minutes for September 17, 2025, Water Quality Finance
Committee Board Meeting
Approval of Minutes for September 24, 2025,
Water Quality Board Meeting

James Webb

James Webb

Executive Secretary Report

Emily Canton

Funding:

1. Financial Status Report
2. Funding Request Introduction

Adriana Hernandez
Ken Hoffman

- Enoch City -
- Dutch John (Daggett County) -
- Hinckley Town -
- City of Lewiston -
- Millville City -
- Richmond City -
- Salem City -
- Staff Recommended Funding Amounts

Beth Wondimu & Henry Willmes
Beth Wondimu & Ken Hoffman
George Meados
Beth Wondimu & Ken Hoffman
Beth Wondimu & Ken Hoffman
Andrew Pompeo
Skyler Davies
Ken Hoffman & Staff

Other:

Public Comment Period

Meeting Adjournment

James Webb

**Next Meeting
December 10, 2025, at 8:30 am
MASOB & Via [Zoom](#)
195 North 1950 West
Salt Lake City, Ut 84116**



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MINUTES

UTAH DEPARTMENT OF ENVIRONMENTAL QUALITY UTAH WATER QUALITY BOARD MASOB OR VIA [Zoom](#)

September 16, 2025
10:00 AM

UTAH WATER QUALITY BOARD MEMBERS PRESENT

Jim Webb
Joe Havasi
Michela Harris
Jeannie Simmonds
Trevor Heaton

DIVISION OF WATER QUALITY STAFF MEMBERS PRESENT

John Mackey	Skyler Davis
Adrianna Hernandez	George Meados
Ken Hoffman	Andrew Pompeo
Beth Wondimu	Henry Willmes

OTHERS PRESENT & ONLINE

Matt Marzel
Johnathan Ward

Mr. Webb, Chair, called the Meeting to order at 10:00 AM.

ROLL CALL

Mr. Webb took roll call for the members of the Board.

FINANCE COMMITTEE DISCUSSION:

Mr. Hoffman addressed the Board explaining that due to limited fund balances the WQ 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 communities and protect their waters for beneficial use. Due to Federal uncertainty, staff no longer projects funds coming from EPA grants in the financial report until grant agreements are awarded. Mr. Hoffman went over the first few pages which explained the financial tables and funding scenarios.

PROJECT FUNDING DESCRIPTIONS:

Enoch City, Planning Advance Authorization & Sewer Upgrades Introduction: Mr. Hoffman introduced an application from Enoch City which requests funding in the amount of \$5,545,800 for construction of a sewer outfall project

Dutch John (Daggett County), Sewer Upgrades Introduction: Mr. Hoffman introduced Dutch John (Daggett County's) request for funding assistance in the amount of \$479,000 to improve the sewer collection system.

Hinckley Town, Lagoon Upgrades Introduction: Mr. Meados introduced the Town of Hinckley's request for project assistance in the amount of \$2,065,500 to rehabilitate their lagoons for current and future populations.

City of Lewiston, Lagoon Upgrades Introduction: Mr. Hoffman introduced the City of Lewiston's request for project assistance in the amount of \$2,660,000 to install a sewer lift station and improve their wastewater lagoon treatment system. The request includes a design advance for \$563,000.

Richmond City, MBR Treatment Improvements Introduction: Mr. Pompeo introduced Richmond City's request for funding in the amount of \$8,144,722 for upgrades to its wastewater treatment plant to meet permit requirements and to produce Type 1 Reuse Water.

Salem City, WRF Treatment Expansion Introduction: Mr. Davies introduced Salem City's request for funding in the amount of \$72,029,000 to increase the capacity of the water reclamation facility.

OTHER:

PUBLIC COMMENTS: None

Next Meeting
September 24, 2025
MASOB & Via Zoom
195 North 1950 West
Salt Lake City, UT 84116
Via [Zoom](#)

James Webb, Chair
Utah Water Quality Board



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MINUTES

UTAH DEPARTMENT OF ENVIRONMENTAL QUALITY UTAH WATER QUALITY BOARD MASOB OR VIA [Zoom](#)

September 24, 2025
8:30 AM

UTAH WATER QUALITY BOARD MEMBERS PRESENT

Michelle Kaufusi Robert Fehr
Jill Jones
Trevor Heaton
Joe Havasi
Michela Harris
Jeannie Simmonds
Tim Davis

DIVISION OF WATER QUALITY STAFF MEMBERS PRESENT

John Mackey	Alex Heppner	Harry Campbell
Emily Canton	Judy Etherington	Ben Holcomb
Leanna Littler-Woolf	Skyler Davies	Dave Pierson
Clanci Hawks	Lindsay Cowles	
Adrianna Hernandez	Allie Rockhill	
George Meados	Beth Wondimu	
Andrew Pompeo	Christa Hutchison	
Ken Hoffman	Robert Beers	

OTHERS PRESENT & ONLINE

Liz Harris	Matt Marziale	Mayor Miller
Joy Emory	Lynette Shupe	Dr. Brian Mennch
Chad, Millville City	Corey Twedt	Carmen Valdez
Mitch Polson	Emily Jainarain	
Trevor Schlossmegel	Hugh Hurlow	

Mrs. Kaufusi, Vice Chair, called the Meeting to order at 8:30 AM.

ROLL CALL

Mrs. Kaufusi took roll call for the members of the Board.

APPROVAL OF MINUTES OF June 25, 2025 Meeting

Motion: Jeannie Simmonds moved to approve the meeting minutes.
Jill Jones seconded the motion.
The motion passed unanimously.

EXECUTIVE SECRETARY REPORT

Mr. Mackey addressed the Board with the following updates:

- Mr. Mackey announced his upcoming retirement. His official last day of work with the Division of Water Quality will be December 31, 2025.
- Mr. Mackey briefed the Board on the upcoming meeting agenda:
 - Intended Use Plan (IUP) - The IUP allows the Division to secure the capitalization grant for Clean Water State Revolving Fund (CWSRF) funding. This year, the plan includes projects related to the Utah Water Infrastructure Plan (UWIP) which is joint prioritization between all the major water funding agencies.
 - Municipal Wastewater Planning Program (MWPP) – The presentation will include a summary of survey results.
 - Harmful Algal Blooms (HABs) – The presentation will include a summary the 2025 HABs season as well as provide basic information about toxins.
- Mr. Mackey informed the Board about a press release that occurred earlier this week regarding a new health advisory for waterfowl which includes Northern Shovelers, Gadwall & Mallard species.
- Mr. Mackey informed the Board about another ongoing advisory in Utah Lake regarding Channel catfish and Common carp.
- Mr. Mackey mentioned a biosolids presentation given by Wasatch Front Water Quality Council and Central Valley Water Reclamation Facility to the Legislature's Natural Resources Agriculture & Environment Committee.

FUNDING:

Authorization to Proceed with Public Notice of the FY25 Intended Use Plan (IUP): Ms. Hernandez presented the IUP to the Board requesting authorization to proceed with public notice of the document.

Motion: Ms. Jones moved to proceed with the public notice of the FY25 IUP and approval to apply for the grants at the end of the public comment period if no comments are received.
Ms. Simmonds seconded the motion.
The motion passed unanimously.

Hardship Grant Fund Financial Status Report: Ms. Hernandez presented the financial status report to the Board.

Bear Lake Regional Commission Groundwater Quality Study Authorization: Mr. Beers presented to the Board seeking authorization to conduct a study to assess the potential impact of onsite wastewater systems or septic systems.

Motion: Ms. Jones moved to authorize the \$63,000 requested for the hardship planning with the special conditions stated in the packet.
Ms. Simmonds seconded the motion.
The motion passed unanimously.

Millville Additional Funding Introduction: Mr. Hoffman presented to the Board a request from Millville City requesting financial assistance in the amount of \$1,510,000 to purchase treatment plant capacity at the Hyrum City WWTP.

No Motion was needed as this was informational only.

REPORTING:

2024 Municipal Wastewater Planning Program (MWPP) Report: Mr. Campbell presented a summary of the 2024 MWPP Report.

No motion was required as this was informational only.

OTHER:

Information Discussion/Presentation: Ms. Bonner provided the Board with a presentation regarding harmful algal blooms and cyanotoxins in Utah. The presentation was accompanied by a detailed slide show and informational handouts.

No motion was required as this was informational only.

PUBLIC COMMENTS:

Four separate public commenters addressed the Board with comments regarding the U.S. Magnesium (MagCorp) Groundwater Discharge Permit. The full public comments can be accessed via this recording link [Zoom Recording Link](#)

MEETING ADJOURNMENT

Motion: Ms. Jones moved to adjourn the meeting.
Mr. Havasi seconded the motion.
The motion passed unanimously.

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September 24, 2025
Water Quality Board
Minutes

Next Meeting
October 22, 2025
MASOB & Via Zoom
195 North 1950 West
Salt Lake City, UT 84116

Via [Zoom](#)

James Webb, Chair
Utah Water Quality Board

LOAN FUNDS FINANCIAL STATUS REPORT OCTOBER 2025

	State Fiscal Year 2026	State Fiscal Year 2027	State Fiscal Year 2028	State Fiscal Year 2029
STATE REVOLVING FUND (SRF)				
CAP Grant Base Program				
Capitalization Grant Awards (FY23-FY24)	\$ 8,254,000			
Future Capitalization Grant	\$ -			
State Cap Grant Match	\$ 1,650,800			
Future State Cap Grant Match	\$ -			
CAP Grant General Supplemental				
General Supplemental Grant (FY23-FY24)	\$ 21,274,800			
Future General Supplemental Grant	\$ -	\$ -		
State General Supplemental Grant Match	\$ 2,396,600			
Future State Gen. Sup Grants Match	\$ 6,751,900	\$ -		
SRF - 2nd Round				
Account Balance	\$ 25,072,361	\$ (4,857,833)	\$ 12,026,703	\$ 32,530,519
Interest Earnings at 4.4692%	\$ 1,120,534	\$ -	\$ -	\$ -
Loan Repayments (5255)	\$ 13,338,484	\$ 17,284,536	\$ 20,903,816	\$ 21,172,325
Total Funds Available	\$ 79,859,479	\$ 12,426,703	\$ 32,930,519	\$ 53,702,844
CWSRF Program Obligations				
Admin Expenses for all CAP Grant Awards	\$ (1,315,672)	\$ (400,000)	\$ (400,000)	\$ (400,000)
Cap Grant Principal Forgiveness (PF) (FY20-24)	\$ (4,198,300)			
Future Cap Grant (PF portion)	\$ -	\$ -	\$ -	\$ -
General Supplemental Grants (PF portion FY22-24)	\$ (9,415,340)	\$ -	\$ -	\$ -
Future General Supplemental Grants (PF portion)	\$ -	\$ -	\$ -	\$ -
Project Obligations				
Brian Head	\$ (1,825,000)	\$ -	\$ -	\$ -
Moab City	\$ (80,000)	\$ -	\$ -	\$ -
Payson City	\$ (13,425,000)	\$ -	\$ -	\$ -
Provo City	\$ (4,500,000)	\$ -	\$ -	\$ -
Wolf Creek	\$ (4,850,000)	\$ -	\$ -	\$ -
Loan Authorizations				
North Logan	\$ (3,500,000)	\$ -	\$ -	\$ -
Mt. Pleasant	\$ (2,535,000)	\$ -	\$ -	\$ -
Ash Creek SSD - Virgin	\$ (6,876,000)	\$ -	\$ -	\$ -
Corinne City	\$ (500,000)	\$ -	\$ -	\$ -
Grantsville City	\$ (16,000,000)	\$ -	\$ -	\$ -

LOAN FUNDS FINANCIAL STATUS REPORT OCTOBER 2025

Wolf Creek	\$ (1,404,000)			
Planned Projects				
Enoch*	\$ (5,846,000)	\$ -	\$ -	\$ -
Hinckley Town*	\$ (961,000)	\$ -	\$ -	\$ -
Lewiston City*	\$ (960,000)	\$ -	\$ -	\$ -
Richmond City*	\$ (6,526,000)	\$ -	\$ -	\$ -
CWSRF Obligations	\$ (84,717,312)	\$ (400,000)	\$ (400,000)	\$ (400,000)
CWSRF Remaining Loan Balance	\$ (4,857,833)	\$ 12,026,703	\$ 32,530,519	\$ 53,302,844
Add'l Subsidy - Principal Forgiveness				
PF Balances (max for FY20-24)	\$ 4,198,300	\$ 451,140	\$ 451,140	\$ 451,140
Future Cap Grant PF Balances	\$ -	\$ -	\$ -	\$ -
General Supplemental PF Balances (FY22-24)	\$ 9,415,340			
Future General Supplemental Grants PF Balances	\$ -	\$ -	\$ -	\$ -
Project Obligations				
South Salt Lake City (A)	\$ (1,512,500)	\$ -	\$ -	\$ -
Payson City	\$ (1,000,000)	\$ -	\$ -	\$ -
Provo City	\$ (2,500,000)	\$ -	\$ -	\$ -
Add'l Subsidy Authorizations				
Corinne City	\$ (4,000,000)	\$ -	\$ -	\$ -
Planned Projects				
Hinkcley Town*	\$ (750,000)	\$ -	\$ -	\$ -
Lewiston City*	\$ (1,700,000)			
Richmond City*	\$ (1,700,000)			
Principal Forgiveness Obligations	\$ (13,162,500)	\$ -	\$ -	\$ -
Principal Forgiveness Remaining Balance	\$ 451,140	\$ 451,140	\$ 451,140	\$ 451,140
	State Fiscal Year	State Fiscal Year	State Fiscal Year	State Fiscal Year
UTAH WASTEWATER LOAN FUND (UWLF)	2026	2027	2028	2029
Funds Available				
UWLF	\$ 37,429,305	\$ 8,229,632	\$ 12,190,977	\$ 16,181,956
Sales Tax Revenue	\$ 3,587,500	\$ 3,587,500	\$ 3,587,500	\$ 3,587,500
Loan Repayments (5260)	\$ 2,436,827	\$ 2,484,545	\$ 2,514,179	\$ 2,546,312
Total Funds Available	\$ 43,453,632	\$ 14,301,677	\$ 18,292,656	\$ 22,315,768

*WQB Agenda Items

LOAN FUNDS FINANCIAL STATUS REPORT OCTOBER 2025

General Obligations				
State Match Transfers Base Cap Grant	\$ (1,650,800)	\$ -	\$ -	\$ -
State Match Transfers Gen. Supplemental Grant	\$ (2,396,600)	\$ -	\$ -	\$ -
State Future Match Transfers Gen. Supplemental Grant	\$ (6,751,900)	\$ -	\$ -	
DWQ Administrative Expenses	\$ (2,110,700)	\$ (2,110,700)	\$ (2,110,700)	\$ (2,110,700)
Project Obligations				
South Salt Lake City (B)	\$ (4,891,000)	\$ -	\$ -	\$ -
South Salt Lake City (C)	\$ (982,000)	\$ -	\$ -	\$ -
North Fork SSD	\$ (3,551,000)	\$ -	\$ -	\$ -
Loan Authorizations				
Long Valley	\$ (1,470,000)	\$ -	\$ -	\$ -
Monticello	\$ (1,214,000)	\$ -	\$ -	\$ -
Planned Projects				
Daggett County (Dutch John)*	\$ (240,000)	\$ -	\$ -	\$ -
Enoch*	\$ (856,000)	\$ -	\$ -	\$ -
Millville City*	\$ (110,000)	\$ -	\$ -	\$ -
Salem City*	\$ (9,000,000)	\$ -	\$ -	\$ -
Total Obligations	\$ (35,224,000)	\$ (2,110,700)	\$ (2,110,700)	\$ (2,110,700)
UWLF Remaining Loan Balance	\$ 8,229,632	\$ 12,190,977	\$ 16,181,956	\$ 20,205,068
TOTAL LOAN FUND BALANCE	\$ 3,822,938	\$ 24,668,820	\$ 49,163,615	\$ 73,959,052
PROJECT RESERVE		\$ (5,000,000)	\$ (10,000,000)	\$ (15,000,000)
TOTAL AVAILABLE LOAN FUNDS	\$ 3,822,938	\$ 19,668,820	\$ 39,163,615	\$ 58,959,052

*WQB Agenda Items

HARDSHIP GRANT FUNDS FINANCIAL STATUS REPORT OCTOBER 2025

	State Fiscal Year	State Fiscal Year	State Fiscal Year	State Fiscal Year
HARDSHIP GRANT FUNDS (HGF)	2026	2027	2028	2029
Funds Available				
Beginning Balance	\$ -	\$ 4,120,463	\$ 4,098,680	\$ 4,023,599
Federal HGF Beginning Balance (5250)	\$ 1,445,508	\$ -	\$ -	\$ -
State HGF Beginning Balance (5265)	\$ 9,833,876	\$ -	\$ -	\$ -
Hardship Grant Assessments (5255)	\$ 139,851	\$ 710,478	\$ 674,071	\$ 617,098
Interest Payments - (5260)	\$ 156,582	\$ 267,739	\$ 250,848	\$ 233,615
Reimbursement for Payments to Federal Subrecipients (ARPA)	\$ 1,256,003	\$ -	\$ -	\$ -
Total Funds Available	\$ 12,831,821	\$ 5,098,680	\$ 5,023,599	\$ 4,874,312
St George Appropriation				
Beginning Balance	\$ 13,066,000			
Authorizations				
St. George Graveyard Wash Res	\$ (13,066,000)			
Total Funds Available	\$ -	\$ -	\$ -	\$ -
Financial Assistance Project Obligations				
Ash Creek SSD Virgin - Design Grant	\$ (230,400)	\$ -	\$ -	\$ -
Corinne - Planning Advance	\$ (20,716)	\$ -	\$ -	\$ -
Daggett County Dutch John - STL	\$ (9,115)	\$ -	\$ -	\$ -
Eagle Mountain City - Construction Grant	\$ (510,000)	\$ -	\$ -	\$ -
Fairfield Town - Planning Grant	\$ (33,290)	\$ -	\$ -	\$ -
Grantsville - Design Advance	\$ (300,000)	\$ -	\$ -	\$ -
Kanab City Planning Advance	\$ (29,800)	\$ -	\$ -	\$ -
Kane County - Hardship Grant	\$ (220,885)	\$ -	\$ -	\$ -
Millville City - Construction Grant	\$ (1,000,000)	\$ -	\$ -	\$ -
Rockville Town - Hardship Grant	\$ (18,832)	\$ -	\$ -	\$ -
Virgin Town - Short Term Loan	\$ (60,000)	\$ -	\$ -	\$ -
Non-Point Source/Hardship Grant Obligations				
OSG Cost Share Balances (FY20-21)	\$ (1,750)	\$ -	\$ -	\$ -
McKees ARDL interest-rate buy down	\$ (55,261)	\$ -	\$ -	\$ -
Munk Dairy ARDL interest-rate buy down	\$ (16,017)	\$ -	\$ -	\$ -
(FY17) DEQ - Utah Lake Water Quality Study	\$ (348,301)	\$ -	\$ -	\$ -
FY 2019 - Remaining Payments	\$ (43,252)	\$ -	\$ -	\$ -
FY 2020 - Remaining Payments	\$ (31,223)	\$ -	\$ -	\$ -
FY 2021 - Remaining Payments	\$ (37,226)	\$ -	\$ -	\$ -
FY 2022 - Remaining Payments	\$ (208,564)	\$ -	\$ -	\$ -
FY 2023 - Remaining Payments	\$ (183,633)	\$ -	\$ -	\$ -

HARDSHIP GRANT FUNDS FINANCIAL STATUS REPORT OCTOBER 2025

FY 2024 - Remaining Payments	\$ (397,455)	\$ -	\$ -	\$ -
FY 2025 - Remaining Payments	\$ (613,333)	\$ -	\$ -	\$ -
FY 2026 - Remaining Payments	\$ (992,304)	\$ -	\$ -	\$ -
Future NPS Annual Allocations		\$ (1,000,000)	\$ (1,000,000)	\$ (1,000,000)
Authorizations				
Bear Lake - Planning Grant	\$ (63,000)	\$ -	\$ -	\$ -
Elwood - Planning Grant	\$ (18,200)	\$ -	\$ -	\$ -
Enoch - Planning Advance (PER/Environment)	\$ (100,800)	\$ -	\$ -	\$ -
Enoch - Design Advance	\$ (430,000)	\$ -	\$ -	\$ -
Henefer - Planning Grant	\$ (60,000)	\$ -	\$ -	\$ -
Hyrum - Short Term Loan	\$ (74,900)	\$ -	\$ -	\$ -
Long Valley - Design Advance	\$ (84,300)	\$ -	\$ -	\$ -
Mt. Pleasant - Hardship Grant	\$ (135,000)	\$ -	\$ -	\$ -
Richmond - Short Term Loan	\$ (99,800)	\$ -	\$ -	\$ -
Weber County - Upper Ogden Valley Planning Grant	\$ (265,000)	\$ -	\$ -	\$ -
Planned Projects				
Daggett County (Dutch John)*	\$ (239,000)	\$ -	\$ -	\$ -
Hinckley Town*	\$ (380,000)	\$ -	\$ -	\$ -
Millville City - Treatment Plant Capacity Grant*	\$ (1,400,000)	\$ -	\$ -	\$ -
Total Obligations	\$ (8,711,358)	\$ (1,000,000)	\$ (1,000,000)	\$ (1,000,000)
HGF Unobligated Funds	\$ 4,120,463	\$ 4,098,680	\$ 4,023,599	\$ 3,874,312



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MEMORANDUM

TO: Utah Water Quality Board

THROUGH: John K. Mackey, P.E.

FROM: Engineering Section

DATE: October 23, 2025

SUBJECT: Water Quality Board Meeting – FY 2026 Funding Requests & Staff Recommendations

BACKGROUND (Ken Hoffman P.E.)

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 funding options with staff. During that meeting, staff met with available Board Members to discuss available funding balances and 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 State Revolving Fund (SRF) program. Due to uncertainty that this causes, staff no longer project future funds coming from the base capitalization grant until we receive notification on the actual amount that we are going to receive.

PROJECTS FOR WATER QUALITY BOARD CONSIDERATION

In June 2025, the Board received applications with funding requests over \$96 million. As there are not sufficient funds to fully fund all of the requests, staff requested to review these requests with the Finance Committee. Additionally, in September Millville returned with a supplemental request to the funding they previously received.

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 1 through 9.

Table 1, below, shows a summary of the Funding Requests. Historically, when the Board funds Planning, Engineering, or Construction Management services it is done from the Utah Wastewater Loan Fund or Hardship Grant Fund due to Federal Architectural and Engineering procurement requirements.

Table 1: Summary of Project Requests

Entity	Planning, Engineering, & CMS	Construction & Other Costs	Total Project Cost	Total Requested Funding
Enoch City	\$856,000	\$6,046,000	\$6,902,000	\$6,702,000
Dutch John (Daggett County)	\$155,000	\$374,000	\$529,000	\$479,000
Hinckley Town	\$380,000	\$1,770,000	\$2,150,000	\$2,091,000
Lewiston City	\$892,000	\$5,253,000	\$6,145,000	\$2,660,000
Millville City	\$0	\$1,510,000	\$1,510,000	\$1,510,000
Richmond City	\$1,092,000	\$8,340,000	\$9,432,000	\$8,226,000
Salem City*	\$8,629,000	\$63,850,000	\$72,479,000	\$25,000,000

*Salem's requested funding was reduced to \$25,000,000 during the Introduction as they knew there was not sufficient funding to fund the total funding need of about \$48,000,000

INTEREST RATE STARTING POINT

Table 2 provides an example of how interest rates can be determined for each project. Recommended discounts are given in similar tables by individual projects as applicable below. Consideration begins with the 20-year market rate of 4.61% based on the September 16, 2025 Daily Treasury Par Yield Curve¹.

Table 2-Interest Rate Factors

Market Rate (20-year basis)	4.61%	
Discount Factors:	Maximum Discount	Recommended Discount
SRF Non-Equivalency Requirements	0.50%	calculated
SRF Equivalency Requirements	1.00%	calculated
*Rural/Disadvantaged Community	1.00%	calculated
Fiscal Sustainability Credit	0.25%	calculated
Existing Asset Management Plan	0.25%	calculated
Green Project Reserve	0.50%	calculated
Regionalization	0.25%	calculated
Economic Hardship	4.61%	calculated
Recommended Interest Rate		calculated

*Only Applies to projects that are primarily serving first homes and not for development

No Board direction has been given for rate reduction for economic hardship based on the Financial Burden Indicator, therefore staff generally will use a rate reduction of 0%-50% for Low burden, 25%-75% for Medium burden, and 50%-100% for High burden.

ENCLOSURE 1- PROJECT SUMMARY AND STAFF COMMENTS

ENOCH CITY

Background

Enoch City (Enoch) requests a total of **\$6,702,000** for a construction project, including planning and design advances for the sewer outfall pipeline project. This funding includes two fund parts: the first part includes Planning & Design Advance, Engineering, CMS, Right-Of-Way Easement, GIS Mapping, and Environmental Review of \$856,000 via UWLF, and the second part includes Construction Funding of \$5,846,000 via CWSRF. This project's cost estimate and funding request have been updated since the August Board Meeting due to an updated quote on pipe prices from the consulting engineer.

Enoch's current sewer collection system was installed in 1990. Enoch has a proactive maintenance program, including cleaning, inspecting, and maintaining the collection system each year. In June 2017, Enoch completed a Wastewater Masterplan and Impact Fee Facilities Plan, conducted by Sunrise Engineering. Enoch's plan indicated several sections of sewer line that would become over-capacity within the projected 20-year growth which has occurred faster than anticipated. The trunkline serves as the sewer outfall and it experiences high flow rates and constant usage. Due to these conditions removal and upsizing the line would result in a high cost from bypass pumping. Thus, the proposed project includes a separate parallel outfall line to increase the outfall capacity without extensive bypass pumping. Enoch is proposing to construct approximately 3.5 miles of parallel 24" PVC sewer outfall pipeline with related manholes.

Current Rates and Impact Fees

Enoch City's current monthly sewer fee is \$25.00 / ERU and their impact fee is \$738.00 / ERU.

Staff Comments

Staff is supportive of funding this project entirely with loan, albeit a mixture of CWSRF and UWLF. Staff recommends the construction project be selected as an Equivalency project to fulfill EPA grant requirements.

Funding alternatives that include varying interest rates are provided in Attachment 1. Based on the Financial Burden Evaluation Policy for the Utah Wastewater Project Assistance Program, the community has a Financial Burden of: **Low**.

The SRF Equivalency Programmatic Costs discount was applied as they are going through the SRF Program to receive the loan, and it is anticipated that they will be an equivalency project. A partial Rural/Disadvantaged community discount was applied as they are a relatively small community experiencing significant growth. The Fiscal Sustainability Credit was applied as they have conducted a Sewer Rate Study and have approved changes to their fee schedules in anticipation of the project, additionally they have an Impact Fee in place. The suggested interest rate is calculated in the table below:

Market Rate (20-year basis)	4.61%	
Discount Factors:	Maximum Discount	Recommended Discount
SRF Non-Equivalency Requirements	0.50%	0.00%
SRF Equivalency Requirements	1.00%	1.00%
Rural/Disadvantaged Community	1.00%	0.50%
Fiscal Sustainability Credit	0.25%	0.25%
Existing Asset Management Plan	0.25%	0.00%
Green Project Reserve	0.50%	0.00%
Regionalization	0.25%	0.00%
Economic Hardship (Low)	4.61%	0.00%
Recommended Interest Rate		2.86%

DUTCH JOHN (DAGGETT COUNTY)

Background

Daggett County (Dutch John) is requesting \$479,000 of funding assistance to improve the sewer collection system. This project will implement critical upgrades to the Dutch John wastewater system, including trenchless rehabilitation (CIPP lining) of aging sewer lines, replacement of deteriorated segments, and installation of new manholes to meet current recommended standards. These improvements aim to enhance system integrity, minimize infiltration/exfiltration, and improve long-term service reliability.

Current Rates and Impact Fees

Currently, there is no impact fee for this funding application. The need or option for adding an impact fee for the system was reviewed. Based on the projected project, Dutch John's engineer does not believe an impact fee can be charged as the project is not designed to accommodate growth.

Staff Comments

Staff are supportive of this project as a combination of Loan and Grant funding. Funding alternatives that include various mixtures of grant amounts and loan rates are provided in Attachment 2. Based on the Financial Burden Evaluation Policy for the Utah Wastewater Project Assistance Program, the community has a Financial Burden of **Medium**. The medium financial hardship was applied at 25% of the market rate.

The SRF Equivalency or non-Equivalency was not applied because Dutch John will be funded from the Utah Wastewater Loan Fund (UWLF). The Rural/Disadvantaged community was applied due to the size of the community. And a partial credit for economic hardship is given, as they would experience some economic hardship without board funding. Currently, there is no Asset Management Plan. This community does not qualify for the other discount rates. The suggested interest rate is calculated in the table below:

Market Rate (20-year basis)	4.61%	
Discount Factors:	Maximum Discount	Recommended Discount
SRF Non-Equivalency Requirements	0.50%	0.00%
SRF Equivalency Requirements	1.00%	0.00%
Rural/Disadvantaged Community	1.00%	1.00%
Fiscal Sustainability Credit	0.25%	0.00%
Existing Asset Management Plan	0.25%	0.00%
Green Project Reserve	0.50%	0.00%
Regionalization	0.25%	0.00%
Economic Hardship (Medium)	4.61%	1.16%
Recommended Interest Rate		2.45%

HINCKLEY TOWN

Background

Hinckley Town is requesting funding from the Water Quality Board in the amount of **\$2,091,000** to rehabilitate their lagoons for current and future populations. Hinckley developed a sanitary sewer master plan in April 2025 which outlined alternatives to repair the current issues with their lagoons. The current issues include hydraulic conductivity, a new flow meter, and the need for culinary water to maintain lagoon operating depth. The facility currently has two lagoons of equal size (7.17 acres). The sewer master plan selected splitting the existing northern cell into two equal sized cells (3.4 acres each) and keeping the existing southern cell as is. The two equal sized cells would receive a rehabilitated liner. This would help Hinckley maintain an operating depth in the two lagoons by decreasing the amount of surface area while increasing the depth of water in the lagoons which would reduce the amount of evaporation in the cells. This rehabilitation will include the installation of a splitter, inlets and piping to allow both of the new cells to operate as the primary lagoon if needed.

Current Rates and Impact Fees

Hinckley does not have an impact fee. Hinckley is currently working on an impact fee study. Hinckley is in the process of incrementally raising their sewer rates from 2022 - 2026 with a total increase of \$12.00 per month.

Staff Comments

Staff believes that the lagoon rehabilitation is necessary for the town to meet R317-3-10 for hydraulic conductivity of the lagoon liner and will help the town create an operating depth without the need for culinary water. Staff is supportive of this project and anticipates it will need to include some principal forgiveness and loan funds. Staff recommends the project be selected as an Equivalency project to fulfill EPA grant requirements.

Funding alternatives that include various mixtures of loan rates are provided in Attachment 3. Based on the Financial Burden Evaluation Policy for the Utah Wastewater Project Assistance Program, the community has a Financial Burden of: **Medium**.

The SRF Equivalency Programmatic Costs discount was applied as they are going through the SRF Program to receive the loan, and it is anticipated that they will be an equivalency project. The Rural/Disadvantaged community discount of 1.0% was applied as Hinckley is a rural, small community which is not experiencing substantial growth. Half of the Fiscal Sustainability Credit was applied as they have recently completed a sewer master plan, as well as implementing escalating sewer rate increases in their user fees through 2026. The minimum discount for medium financial hardship was applied at 25% of the market rate. The board has discretion to increase this discount. The suggested interest rate is calculated in the table below:

Market Rate (20-year basis)	4.61%	
Discount Factors:	Maximum Discount	Recommended Discount
SRF Non-Equivalency Requirements	0.50%	0.00%
SRF Equivalency Requirements	1.00%	1.00%
Rural/Disadvantaged Community	1.00%	1.00%
Fiscal Sustainability Credit	0.25%	0.12%
Existing Asset Management Plan	0.25%	0.00%
Green Project Reserve	0.50%	0.00%
Regionalization	0.25%	0.00%
Economic Hardship (Medium)	4.61%	1.16%
Recommended Interest Rate		1.33%

LEWISTON CITY

Background

Lewiston City (Lewiston) is requesting **\$2,660,000** in funding to install a sewer lift station and to improve its lagoon treatment system. This request includes a design advance of **\$563,000** to ensure sufficient funds to cover the full extent of the preconstruction costs.

Lewiston owns and operates wastewater collection and lagoon treatment systems. The system as currently configured, cannot meet the capacity and the future needs of the city. The lagoon treatment system was constructed in 1974 and was designed as a three-cell total containment facultative lagoon treatment system. Chlorine disinfection and sulfur dioxide dechlorination were added to the treatment facility in 1999. The lagoons discharge intermittently to the Cub River. Lewiston completed a Wastewater Collection System and Treatment Facilities Plan in January 2020. The Facilities Plan recommended updated collection, treatment, and land application to address future capacity and nutrient limits resulting from the Cub River Total Maximum Daily Load (TMDL), the technology-based phosphorus effluent limits rule, and growth in the community. At this time the lagoons do not have a limitation for phosphorus and the TMDL did not assign a phosphorus loading allocation to Lewiston's lagoons but assessed them as *de minimus*.

Lewiston is planning to improve the lagoon treatment system in its proposed project. The proposed project has partial funding through the U.S. Department of Agriculture - Rural Development (USDA- RD). Lewiston has made extensive efforts to design, value-engineer, bid, and construct the funded project. Still, bid prices on two separate occasions were not favorable to the funding

amounts, so no construction contract awards were made. The proposed project is outlined in Lewiston's Master Plan, however, it was not initially chosen as the preferred alternative. The project will consist of new headworks, Aerators in Lagoon Cell 1, new lagoon transfer structures, chlorination and dechlorination systems, a reaeration system, a new lagoon, and a new lift station.

Current Rates and Impact Fees

Lewiston's current impact fee is 8,065.00 per ERU. At this time, no additional impact fee analysis (IFA) /study is being done or planned at this time for this project.

Staff Comments.

Evaluating the past few years of discharge data staff is concerned if this project will adequately address phosphorus treatment. The current lagoons have begun discharging and to met future permit limitations the facility might require phosphorus treatment or receiving water loading reduction.

Staff are supportive of this project as a combination of the CWSRF and Principal Forgiveness. Updated funding alternatives that include various mixtures of loan rates are provided in Attachment 4. Based on the Financial Burden Evaluation Policy for the Utah Wastewater Project Assistance Program, the community has a Financial Burden of **Medium**. The medium financial hardship was applied at 25% of the market rate.

The SRF Non-Equivalency Programmatic Costs discount was applied as they are going through the SRF Program to receive the loan, and it is anticipated that they will not be an equivalency project. The Rural/Disadvantaged community discount of 1.00% was applied, as Lewiston is a rural, small community that is not experiencing substantial growth. They received the fiscal sustainability credit as they have impact fees in place. And the minimum discount for medium financial hardship was applied at 25% of the market rate. The suggested interest rate is calculated in the table below:

Market Rate (20-year basis)	4.61%	
Discount Factors:	Maximum Discount	Recommended Discount
SRF Non-Equivalency Requirements	0.50%	0.50%
SRF Equivalency Requirements	1.00%	0.00%
Rural/Disadvantaged Community	1.00%	1.00%
Fiscal Sustainability Credit	0.25%	0.25%
Existing Asset Management Plan	0.25%	0.00%
Green Project Reserve	0.50%	0.00%
Regionalization	0.25%	0.00%
Economic Hardship (Medium)	4.61%	1.16%
Recommended Interest Rate		1.70%

Millville City

Background

Millville City (Millville) is requesting financial assistance from the Utah Water Quality Board (Board) for \$1,510,000.00 to purchase treatment plant capacity at the Hyrum City Wastewater Treatment Plant (Hyrum WWTP). The overall project includes a sewer collection system throughout Millville, including lateral connections from the main lines to each property, a lift station and transmission lines from Millville to the Hyrum WWTP. Millville began working on the design for a sewer collection system in 2018 and has made extensive efforts to complete the project. Due to funding from the Department of Environmental Quality (DEQ) and U.S. Department of Agriculture-Rural Development (USDA-RD), the collection system has been installed and is very close to completion. During that time, Millville residents have endured excavation on every road in Millville, dust, damaged vehicles, and escalating monthly sewer bills.

Millville has also faced increasing construction and material costs during this project. Millville partnered with Hyrum for the treatment of the Millville wastewater in an agreement signed in 2020. With escalating costs for treatment, new sewer operators in Hyrum, and high growth rates, Hyrum is seeking to change the agreement for treatment costs with Millville. With the updated agreement, Hyrum is requiring Millville to pay a start-up capacity buy-in fee of \$1,510,000 to help fund treatment plant growth to handle the wastewater from Millville. Along with this, standard monthly rates per household for treatment costs have increased from what was originally planned.

Without grant funding to pay for the start-up buy-in fee, the Millville project will need to increase monthly sewer rates for residents from \$90/month to about \$120/month. The cost considers and relies on the pipes being new and the likelihood that there should not be any heavy maintenance or replacement for some time. Millville has an escalating loan with DEQ with payments increasing over time with the escalating payment anticipated to be paid by impact fees from projected growth. Millville is already aware that a significant rate increase may be needed in 5-10 years to cover debt service alone, and is also expecting continued escalating rates from Hyrum for treatment. Millville is close to the completion of this project. Millville needs one final push to finalize a new agreement with Hyrum, finish testing the sewer lift station, and allow residents to abandon their septic tanks and connect to the new sewer system.

During the September 30, 2025 Hyrum City Council meeting, the Millville inter-city sewage treatment service agreement was discussed. This discussion included a potential \$6 per month premium charge for Millville residents and an overall 10%-30% overall sewage treatment increase. The \$6 per month premium was added to Millville's cost model. In addition, Millville could face an additional \$3.55 to \$10.64 increase in Hyrum treatment rates in the near future but this was not put in the cost model.

Current Rates and Impact Fees

Currently, Millville charges \$60.00 per month per ERU even though the sewer system is not yet completed. Once the sewer lines are available for connection, this rate will increase to \$90 per month.

The current impact fee for Millville City is \$8,760. Of that, going forward, \$1,992 will be paid for each new home to Hyrum City. Hyrum is basing its treatment impact fee on an impact fee analysis from 2004, and Hyrum said that it expects it to double or triple in the next year when a new impact fee analysis is conducted. The Millville Sewer Impact fee began in July 2022 after the funding was authorized for cost estimates in place for the original project. A third-party company that focuses on impact fees did the Impact Fee Analysis for Millville to establish that rate.

Staff Comments

Updated funding alternatives that include various mixtures of grant amounts and loan rates are provided in Attachment 5.

Based on the Financial Burden Evaluation Policy for the Utah Wastewater Project Assistance Program, the community has a Financial Burden of: **Medium**. The medium financial hardship was applied at 25% of the market rate. Staff are supportive of this project as a combination of the UWLF and Hardship Grant, therefore no discount was given for programmatic costs. The Rural/Disadvantaged community discount of 1.00% was applied as Millville is a rural, small community which is not experiencing substantial growth. The regionalization credit is given for Millville because this project is a regionalization project to connect Millville's sewer collection system to Hyrum City's treatment facility. The suggested interest rate is calculated in the table below:

Market Rate (20-year basis)	4.61%	
Discount Factors:	Maximum Discount	Recommended Discount
SRF Non-Equivalency Requirements	0.50%	0.00%
SRF Equivalency Requirements	1.00%	0.00%
Rural/Disadvantaged Community	1.00%	1.00%
Fiscal Sustainability Credit	0.25%	0.25%
Existing Asset Management Plan	0.25%	0.00%
Green Project Reserve	0.50%	0.00%
Regionalization	0.25%	0.25%
Economic Hardship (Medium)	4.61%	1.16%
Recommended Interest Rate		1.95%

RICHMOND CITY

Background

Richmond City is requesting funding from the Water Quality Board in the amount of **\$8,226,000** for upgrades to their wastewater treatment plant to meet the requirements of their UPDES permit and produce Type I Reuse water.

The City of Richmond first installed their membrane bioreactor (MBR) wastewater treatment plant (Richmond WWTP) in 2007. The MBR system is reaching the end of its design life, and needs to be upgraded to meet the future demands of increasing flow from Richmond City, as well as meet

the total phosphorus limits required of the facility through the TMDL. The proposed project will upgrade the existing Richmond WWTP performance as well as address some of its aging infrastructure to handle future flows. The improvements are recommended to begin immediately due to existing hydraulic capacities and the hydraulic limitations to maintain service during construction. The proposed treatment improvements will keep the Richmond WWTP in compliance with the current UPDES permit and to produce Type I reuse water.

Richmond proposes to upgrade and refurbish the treatment plant with headworks improvements such as a heater in the grit room, explosion proof lighting upgrades, and HVAC upgrades to comply with code. For influent pumping they plan to replace both influent pumps, VFDs and controls as well as pump discharge piping improvements. For the MBR and biological treatment, they plan to demolish the existing blowers and MBR equipment. They also plan to install new blowers and air system piping, install new MBR equipment including membranes, WAS/RAS/Recycle pumps, permeate pumps, and chemical injection systems. They will also have the manufacturer evaluate the existing disinfection system and install SCADA upgrades. They also plant to dredge lagoon No. 1 to remove solids.

Staff is supportive of this project as Richmond City is being proactive in financing their infrastructure by working on a new Impact Fee Facility Plan, yet they are still in a High Burden when bonding on the open market. Also, Richmond City is working with the USDA Rural Development program as well as Zions Bank to identify potential grant, loan, and bonding options.

Current Rates and Impact Fees

Richmond's current Impact Fee is \$8,442 for the North Service area, and \$5,631 for the South Service area. For the purposes of the Cost Model, a conservative Impact Fee of \$5,600 was used. Richmond City is currently working on a new Impact Fee Facility Plan to update to a new single Impact Fee.

Staff Comments

Staff is supportive of this project as a combination of the CWSRF and Principal Forgiveness. Updated funding alternatives that include various mixtures of loan and grant amounts are provided in Attachments 6 and 7. Based on the Financial Burden Evaluation Policy for the Utah Wastewater Project Assistance Program, the community has a Financial Burden of **Medium**.

The SRF Programmatic Costs discount was applied, anticipating that the City will be a non-equivalency project. Richmond also qualifies for the Rural Community Discount as they are a Rural Community. Richmond also qualifies for the Fiscal Sustainability Credit for their past and current work on their Impact Fees. They also qualify for the Green Project Reserve discount as the project meets EPA's qualifications for Green Project Reserve, and they also received the minimum discount (1.16%) for Medium burden which is 25% of the maximum discount of 4.61%. The suggested interest rate is calculated in the table below:

Market Rate (20-year basis)	4.61%
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Discount Factors:	Maximum Discount	Recommended Discount
SRF Non-Equivalency Requirements	0.50%	0.50%
SRF Equivalency Requirements	1.00%	0.00%
Rural/Disadvantaged Community	1.00%	1.00%
Fiscal Sustainability Credit	0.25%	0.25%
Existing Asset Management Plan	0.25%	0.00%
Green Project Reserve	0.50%	0.50%
Regionalization	0.25%	0.00%
Economic Hardship (Medium)	4.61%	1.16%
Recommended Interest Rate		1.20%

SALEM CITY

Background

Salem City is requesting funding from the Water Quality Board in the amount of **\$72,029,000** to increase the capacity of the Water Reclamation Facility. Salem is aware that there are not sufficient SRF funds to cover this amount, and is willing to take what is available, and seek remaining funding from other sources as necessary. During the introductions they indicated that they are hopeful to get \$25,000,000, as such the request in the cost model has been adjusted to this.

Salem's water reclamation facility is nearing capacity, and anticipated growth will soon exceed available capacity, even with the short-term upgrades that are currently in progress to buy time to complete a more comprehensive expansion. This project is primarily necessary to address the unprecedented growth Salem is experiencing. The project would consist of plant expansion to allow for community growth and to accommodate flows up to 4.4 million gallons per day (MGD) while still meeting permitted effluent limits. Some of the anticipated major upgrades include a third influent wet well with two additional pumps, a new headworks facility with two added headworks screens and two grit removal units, a second oxidation ditch and accompanying anaerobic preselector, a third secondary clarifier, one additional RAS and one additional WAS pump, two additional banks of UV lamps to existing UV disinfection channel No. 3, a new dewatering building with expanded dewatering capacity, and a new electrical building and a second backup generator.

Current Rates and Impact Fees

Salem City raised rates in July of 2025 they currently charge a base rate of \$47.91 per month per ERU with a progressive flow-based charge per thousand gallons (\$1.53/ thousand gallons for the first 5,000 gallons, \$1.79/thousand gallons between 5,001-10,000 gallons, \$2.04/thousand gallons between 10,001-15,000 gallons, and \$2.30/thousand gallons above 15,000 gallons). According to the Water Quality Board's criteria of 1.4% of MAGI (\$76,000 for Salem), a rate of \$88.67 per month for wastewater service should be exceeded for grant consideration. In May of 2025 Salem City completed an updated Sewer Master Plan as well as an Impact Facilities Plan and Impact Fee Analysis. As a result of this plan, in July of 2025 the City increased impact fees to \$10,762.94 of which \$7,794.58 is related to this project (WRF-Phase 3).

Staff Comments

Staff is supportive of this project, as it is necessary to increase capacity to keep up with growth. However, with current balances the entire project cannot be funded by the Board.

Funding alternatives that include various mixtures of grant amounts and loan rates are provided in Attachment 8 and 9. Based on the Financial Burden Evaluation Policy for the Utah Wastewater Project Assistance Program, the community has a Financial Burden of **Medium**. However, it is worth noting if they are able to sustain their anticipated growth rate, and impact fees are included their financial burden is reduced to **Low** regardless of the funding scenario, because if growth continues as anticipated there would be sufficient impact fee revenue to cover debt service up to market rates. However, the local contribution is reliant on the early payment of impact fees by developers, which would impact the amount of impact fees that could be dedicated to debt service.

The SRF Equivalency or non-Equivalency was not applied because Salem will be funded from the Utah Wastewater Loan Fund (UWLF). The Fiscal Sustainability credit was applied as they have gone through substantial planning in preparation for this project and have implemented changes to their impact fee schedules in anticipation of the project. The regionalization credit is given as this system serves part of Payson City and Woodland Hills, in addition to Salem City. A partial credit for an existing asset management plan is applied as they have developed some of the key elements of an asset management plan, but still need to compile it and finish developing the plan. And a partial credit for economic hardship is given, as they would experience some economic hardship without Board funding. The suggested interest rate is calculated in the table below:

Market Rate (20-year basis)	4.61%	
Discount Factors:	Maximum Discount	Recommended Discount
SRF Non-Equivalency Requirements	0.50%	0.00%
SRF Equivalency Requirements	1.00%	0.00%
Rural/Disadvantaged Community	1.00%	0.00%
Fiscal Sustainability Credit	0.25%	0.25%
Existing Asset Management Plan	0.25%	0.15%
Green Project Reserve	0.50%	0.00%
Regionalization	0.25%	0.25%
Economic Hardship (Medium)	4.61%	1.16%
Recommended Interest Rate*		2.80%

*The Board may choose to reduce the interest rate below this recommendation as there are not sufficient Board funds to provide the needed funding for this project.

STAFF RECOMMENDED FUNDING AMOUNTS FOR PROJECTS (Ken Hoffman)

Staff recommendations for funding these projects are outlined in the table below. These recommendations have a total commitment of \$30,668,000. The table below notes the funding sources including: Clean Water State Revolving Funds (CWSRF), Utah Wastewater Loan Fund (UWLF), Principal Forgiveness (PF), and Hardship Grant Fund (HGF) are all listed below.

Summary of Funding Amount Recommendations

Entity	CWSRF	PF	UWLF	HGF
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Enoch	\$5,846,000*	\$0	\$856,000	\$0
Dutch John (Daggett County)	\$0	\$0	\$240,000	\$239,000
Hinckley Town	\$961,000*	\$750,000*	\$0	\$380,000
Lewiston City	\$960,000	\$1,700,000	\$0	\$0
Millville City	\$0	\$0	\$110,000	\$1,400,000
Richmond City	\$6,526,000	\$1,700,000	\$0	\$0
Salem City	\$0	\$0	\$9,000,000	\$0
Total	\$14,293,000	\$4,150,000	\$10,206,000	\$2,019,000

* - Project will be funded as an Equivalency Project to meet EPA Grant Requirements.

ENOCH CITY

Staff recommends the Water Quality Board **authorize \$5,846,000 as a Loan from the Clean Water State Revolving Fund for sewer system construction upgrades and \$856,000 as a Loan for engineering services from the Utah Wastewater Loan Fund, both at an interest rate of 2.86% repayable over the course of 20 years** to Enoch City subject to the following special conditions:

1. Enoch must agree to participate annually in the Municipal Wastewater Planning Plan.
2. Enoch must update and submit their Water Conservation Plan in compliance with Division of Water Resources Requirements as it is in progress but currently past due.
3. Enoch must develop and implement an asset management plan that is consistent with Utah Administrative Code R317-101-3(I).

DUTCH JOHN

Staff recommends the Board authorize **\$240,000 Loan at 2.45% for a term of 20 years from the Utah Wastewater Loan Fund and \$239,000 in Hardship Grant for sewer system upgrades** to Daggett County for Dutch John, subject to the following special conditions:

1. Dutch John must agree to participate annually in the Municipal Wastewater Planning Program (MWPP).
2. As part of the facility planning, Dutch John must complete a Water Conservation and Management Plan.
3. Dutch John must develop and implement an asset management plan that is consistent with Utah Administrative Code R317-101-3(I).

HINCKLEY TOWN

Staff recommends the Board authorize the existing **\$267,000 Design Advance to Hinckley be forgiven as a Hardship Design Grant** under the following special conditions.

1. The design advance may only be forgiven once the loan is closed

Staff recommends the Board authorize **\$961,000 Loan at 1.33% for a term of up to 30 years from the Clean Water State Revolving Loan Fund, \$750,000 in Principal Forgiveness for lagoon upgrade construction, and \$113,000 in Hardship Construction Grant for engineering construction management services** to Hinkley Town subject to the following special conditions:

1. Hinckley must agree to participate annually in the Municipal Wastewater Planning Program (MWPP).
2. As part of the facility planning, Hinckley must complete a Water Conservation and Management Plan.
3. Hinckley must develop and implement an asset management plan that is consistent with Utah Administrative Code R317-101-3(I).
4. Hinckley must submit a useful life certification for the construction of the lagoons. This certification will determine the length of the loan but not to exceed 30 years.

LEWISTON CITY

Staff recommends the Board authorize **\$960,000 Loan at 1.95% for a term of 30 years from Clean Water State Revolving Loan Fund and \$1,710,000 in Principal Forgiveness for lagoon upgrade construction** to Lewiston City, subject to the following special conditions:

1. Lewiston must agree to participate annually in the Municipal Wastewater Planning Program (MWPP).
2. As part of the facility planning, Lewiston must complete a Water Conservation and Management Plan.
3. Lewiston must develop and implement an asset management plan that is consistent with Utah Administrative Code R317-101-3(I).

MILLVILLE CITY

Staff recommends the Board authorize **\$110,000 of Utah Wastewater Loan Funds at 1.95% for a term of 20 years and \$1,400,000 in Hardship Grant Funds for treatment plant capacity purchase in the Hyrum WWTP** to Millville City, subject to the following special conditions:

1. Millville must agree to participate annually in the Municipal Wastewater Planning Program (MWPP).
2. As part of the facility planning, Millville must complete a Water Conservation and Management Plan and submit its Water Conservation Plan in compliance with Division of Water Resources Requirements, as it is currently past due.
3. Millville must develop and implement an asset management plan that is consistent with Utah Administrative Code R317-101-3(I).
4. Staff may negotiate with the City an escalating principal repayment schedule.
5. Staff may allow for a debt service ratio of 1.1.
6. Staff will not require funding for an emergency repair and replacement fund as part of this bond.

RICHMOND CITY

Staff recommends the Board authorize **\$6,526,000 Loan at 1.20% for a term of 20 years from the Clean Water State Revolving Loan Fund and \$1,700,000 of Principal Forgiveness for the construction of MBR treatment upgrades** to Richmond City subject to the following special conditions:

1. Richmond must agree to participate annually in the Municipal Wastewater Planning Program (MWPP).
2. Richmond must update and submit their Water Conservation Plan in compliance with Division of Water Resources Requirements as it is due by the end of 2025.
3. Richmond must develop and implement an asset management plan that is consistent with Utah Administrative Code R317-101-3(I).

SALEM CITY

Staff recommends the Board authorize **\$9,000,000 Utah Wastewater Loan Fund at 2.8% for a term of up to 30 years for treatment plant upgrades** to Salem City subject to the following special conditions:

1. Salem must agree to participate annually in the Municipal Wastewater Planning Program (MWPP).
2. Salem must update and submit their Water Conservation Plan in compliance with Division of Water Resources Requirements as it is due by the end of 2025.
3. Salem must develop and implement an asset management plan that is consistent with Utah Administrative Code R317-101-3(I).
4. Salem must pursue and retain the remaining funding necessary to implement the project.

NEXT FUNDING APPLICATION PROCESS

Staff anticipate the Board will authorize all available balances for FY26 during the October 2025 Board meeting. Currently, staff is scheduled to accept applications December 31, 2025. A second round of funding has never occurred since going to the bi-annual schedule. Stating a second round will occur has caused confusion to some applicants. Staff proposes applications only be accepted once a year on June 30 and discontinue a second-round application. If additional funding is available after the annual application period the Board can determine a course of action at that time. If the Board agrees the next regular construction funding application date be set for **June 30, 2026**. Applications will continue to be accepted at any time for emergency construction projects, existing project authorizations, planning advances, and design advances.

ATTACHMENT 1 - Enoch City Cost Model

Enoch City									
20 Year Static Cost Model									
Project Costs						Current Customer Base & User Charges			
Engineering Design		\$	200,000			Initial Total Customer (ERU's)		2,632	
Bidding & Negotiating		\$	9,000			MAGI for Enoch City (2022):		\$55,000	
Engineering Construction Services		\$	300,000			Affordable Monthly Rate at 1.4%		\$64.17	
Topographic & Property Survey		\$	21,000			Impact Fee (per ERU):		\$738	
Bond Attorney		\$	20,000			Current Monthly Fee (per ERU)		\$25.00	
Land & RoW Negotiation/Acquisition		\$	200,000			Existing Sewer Debt Service		\$16,500	
GIS Mapping		\$	5,000			Funding Conditions			
Environmental Report		\$	50,000			Loan Repayment Term:		20	
Preliminary Engineering Report (PER)		\$	50,800			Reserve Funding Period:		6	
Construction		\$	5,257,000			Existing & New Annual O&M expensive		\$594,900	
Contingency (approx. 15% const. cost)		\$	788,600						
Total Project Cost:		\$	6,901,400						
Requested Project Funding									
Local Sewer Fund		\$	200,000						
Requested Funding by WQB			6,701,400						
Total Project Cost:		\$	6,901,400						
ESTIMATED COST OF SEWER SERVICE									
WQB Loan	WQB Loan	WQB Loan	WQB Loan	Annual Sewer	Existing	Total Annual	Monthly Sewer	Sewer Cost as a	Financial
Amount	Interest Rate	Debt Service	Reserve	O&M Cost	Debt Service	Sewer Cost	Cost/ERU	% of MAGI	Burden
6,701,400	1.75%	400,015	100,004	594,900	\$16,500	1,111,418	35.19	0.77%	LOW
6,701,400	2.86%	444,629	111,157	594,900	\$16,500	1,167,187	36.95	0.81%	LOW
6,701,400	3.61%	476,223	119,056	594,900	\$16,500	1,206,679	38.21	0.83%	LOW
6,701,400	4.61%	520,100	130,025	594,900	\$16,500	1,261,525	39.94	0.87%	LOW
Enoch City Financial Need Indicator									
Indicators	Local Value	State Value	Score	Weighting Factor	Weighted Score				
unemployment rate	3.3%	3.4%	1.95	4.00	7.80				
PovertyRate	5.7%	8.6%	1.00	2.50	2.50				
Threshold LQI	\$38,231.00	\$43,645.00	1.50	2.50	3.75				
Population Growth Rate	33.3%	18.4%	1.00	1.00	1.00				
Financial Need Indicator (Sum of weighted Scores/10)					1.51				
Table 3 Financial Burden Matrix									
Modified MAGI									
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	High	High	High	High				

ATTACHMENT 2- Dutch John (Daggett County) Cost Model

Use the Financial Need Indicator in combination with the cost model MAGI number to determine Financial Burden for each scenario. We will use a new column next to the MAGI

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ATTACHMENT 3 – Hinckley Town Cost Model

HINCKLEY - Water Quality Board 20 - 30 Year Loan Static Cost Model

Project Costs

Legal Bonding	\$	15,000
Loan Origination Fee	\$	25,000
Planning Advance		
Engineering - Design	\$	267,000
Engineering - CMS	\$	113,000
Wastewater Treatment Plant	\$	1,429,500
Contingency (20%)	\$	300,000
Total Project Cost:	\$	2,149,500

Project Funding

Local Contribution	\$ 59,000
Amount to be Funded	\$ 2,090,500
WQB Grant	\$ -
Total Project Cost:	\$ 2,149,500

Current Customer Base & User Charges

Initial Total Customer (ERU's)	217
MAGI for Hinckley Town (2022):	\$54,000
Affordable Monthly Rate at 1.4%	\$63.00
Impact Fee (per ERU):	\$0
Current Monthly Fee (per ERU)	\$42.00
Debt Service	\$0
Annual O&M expense	\$136,250

Funding Conditions

Reserve Funding Period:	6
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ESTIMATED COST OF SEWER SERVICE

Design Advance Forgiveness	Hardship Grant Fund	Principal Forgiveness	QWB Loan	Private Loan Amount	Loan Repayment Term	QWB Loan Interest Rate	Private Loan Interest Rate*	QWB Loan Debt Service	QWB 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	\$	-	\$0	0	20	0.75%	5.20%	0	0	170,604	136,250	0	306,854	117.84	2.62%	HIGH	
\$267,000	\$	113,000	\$0	1,710,500	0	20	0.75%	5.20%	92,419	23,105	0	136,250	0	251,774	96.69	2.15%	HIGH
\$267,000	\$	113,000	\$750,000	960,500	0	20	0.50%	5.20%	50,586	12,647	0	136,250	0	199,483	76.61	1.70%	MEDIUM
\$267,000	\$	113,000	\$750,000	960,500	0	20	1.33%	5.20%	55,012	13,753	0	136,250	0	205,015	78.73	1.75%	MEDIUM
\$267,000	\$	113,000	\$750,000	960,500	0	20	0.75%	5.20%	51,896	12,974	0	136,250	0	201,121	77.24	1.72%	MEDIUM
\$267,000	\$	113,000	\$750,000	960,500	0	30	0.75%	5.20%	35,873	8,968	0	136,250	0	181,091	69.54	1.55%	MEDIUM
\$267,000	\$	113,000	\$750,000	960,500	0	30	1.33%	5.20%	39,037	9,759	0	136,250	0	185,047	71.06	1.58%	MEDIUM
\$267,000	\$	113,000	\$1,000,000	710,500	0	30	0.50%	5.20%	25,563	6,391	0	136,250	0	168,204	64.59	1.44%	MEDIUM

FNI Calculation

	Local Value	State Value	Score	Weighting Factor	Weighting Score	Table #
Unemployment Rate	4.2%	3.6%	2.30	4	9.20	S2301
Poverty Rate	3.9%	9.1%	1.00	2.5	2.50	S1701
Threshold LQI	\$ 51,250	\$ 35,445	1.00	2.5	2.50	B19080
Population Growth Rate	2.9%	18.6%	2.69	1	2.69	B01003
Financial Need Indicator (Sum of weighted Scores/10)					1.69	

2020 5 year ACS Table

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

Financial Burden Matrix

	Modified MAGI				
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

Shoot for 1.4-2.45%.

ATTACHMENT 4 – Lewiston City Cost Model

Lewiston City - Design Advance - Water Quality Board														
30 Year Loan Static Cost Model - Lewiston's Collection and Lagoon treatment system														
Project Costs						Current Customer Base & User Charges								
Engineering - Design				\$	375,000							Initial Total Customer (ERU's)		280
Engineering - Design				\$	188,000							MAGI for Lewiston City (2023):		\$63,000
Engineering - Design & CMS				\$	235,000							Affordable Monthly Rate at 1.4%		\$73.50
Engineering - Design				\$	47,000							Impact Fee (per ERU):		\$8,065
Construction (Lift Station & Lagoon Treatment System)				\$	4,690,000							Current Monthly Fee (per ERU)		\$60.00
Contingency (10%)				\$	469,000							Debt Service		\$0
Environmental				\$	47,000							Annual O&M expense		\$193,900
Legal Services				\$	47,000							Funding Conditions		
Bond counsel				\$	47,000							Loan Repayment Term:		30
Total Project Cost:				\$	6,145,000							Reserve Funding Period:		10
Project Funding						USDA-RD Funding Conditions								
Local Sewer Fund				\$	950,000							USDA-RD Loan Repayment Term		40
WQB Funding				\$	2,660,000							USDA-RD Interest Rate		1.875%
USDA-RD Existing Grant				\$	483,000									
USDA-RD Existing Loan				\$	2,052,000									
Total Project Cost:				\$	6,145,000									
ESTIMATED COST OF SEWER SERVICE														
Principal Forgiveness + Existing Hardship Grant	WQB Loan	RD Grant including existing	Existing & Possible RD Loan	WQB Loan Interest Rate	Current RD Loan Interest Rate	WQB Loan Debt Service	WQB Loan Reserve	Market Loan Debt Service	Annual Sewer	Total Annual Sewer Cost	Monthly Sewer Cost/ ERU	Sewer Cost as % of MAGI	Financial Burden	
-	2,660,000	483,000	2,052,000	1.95%	1.875%	117,954	17,693	91,722	193,900	421,269	125.38	2.39%	Medium	
500,000	2,160,000	483,000	2,052,000	1.95%	1.875%	95,782	14,367	91,722	193,900	395,772	117.79	2.24%	Medium	
960,000	1,700,000	483,000	2,052,000	1.95%	1.875%	75,384	11,308	91,722	193,900	372,314	110.81	2.11%	Medium	
1,000,000	1,660,000	483,000	2,052,000	1.95%	1.875%	73,610	11,042	91,722	193,900	370,274	110.20	2.10%	Medium	
1,500,000	1,160,000	483,000	2,052,000	1.95%	1.875%	51,439	7,716	91,722	193,900	344,776	102.61	1.95%	Low	
2,000,000	660,000	483,000	2,052,000	1.95%	1.875%	29,267	4,390	91,722	193,900	319,279	95.02	1.81%	Low	
2,660,000	0	483,000	2,052,000	1.95%	1.875%	0	0	91,722	193,900	285,622	85.01	1.62%	Low	
Lewiston City Financial Need Indicator														
Indicators	Local Value	State Value	Score	Weighting Factor	Weighted Score	Table 3 Financial Burden Matrix								
unemployment rate	2.3%	3.4%	1.45	4.00	5.80	Modified MAGI								
Poverty Rate	2.7%	8.6%	1.00	2.50	2.50	FNI	Below 1.4%	1.4% to 1.75%	1.75% - 2.1%	1% to 2.45	Above 2.45%			
Thres hold LQI	\$46,663.00	\$43,645.00	1.00	2.50	2.50	Below 1.5	Low	Low	Medium	Medium	High			
Population Growth R	13.9%	18.4%	3.00	1.00	3.00	1.5 to 2.5	Low	Medium	Medium	High	High			
Financial Need Indicator (Sum of weighted Scores/10)					1.38	Above 2.5	Medium	High	High	High	High			

Attachments
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ATTACHMENT 5 – Millville City Cost Model

[illegible]

ATTACHMENT 6- Richmond City Cost Model (Without Impact Fees)

Richmond City - Water Quality Board 20 Year Loan Static Cost Model

Project Costs

Legal/Bonding	\$ 68,000	1% of DWQ only
DWQ Loan Origination Fee	\$ 81,447	
Engineering - Design	\$ 873,000	
Engineering - CMS	\$ 219,000	
Construction	\$ 6,570,000	
Contingency (2.7%)	\$ 1,770,000	
Total Project Cost:	\$ 9,581,447	

Project Funding

Local Contribution	\$ 1,355,278
Loan	\$ 8,226,169
WQB Grant	\$ -
Total Project Cost:	\$ 9,581,447

Current Customer Base & User Charges

Initial Total Customer (ERUs)	913
MAGI for Richmond City (2022):	\$62,000
Affordable Monthly Rate at 1.4%	\$72.33
Impact Fee (per ERU):	\$5,600
Current Monthly Fee (per ERU)	\$83.00
2025 Sewer Debt Service	\$185,000
Annual O&M expense	\$653,050

Funding Conditions

Loan Repayment Term:	19
Reserve Funding Period:	6

ESTIMATED COST OF SEWER SERVICE- 19 Year

WQB Grant	WQB Loan	WQB Loan Interest Rate	WQB Loan Reserve	New WQB Debt Service	Market Loan Interest Rate	Market Loan Amount	New Market Loan Debt Service	1.25 DSCR Set Aside	Annual Sewer O&M Cost	Total Annual Sewer Cost	Monthly Sewer Cost/ ERU	Sewer Cost as % of MAGI	FINANCIAL BURDEN
\$ -	\$ -		0	0	4.81%	8,226,169	670,175	167,543.77	653,050	\$ 1,490,769	136.07	2.63%	HIGH
\$ -	\$ 8,226,169	1.20%	121,692	486,769					653,050	\$ 1,261,511	115.14	2.23%	MEDIUM
\$ 500,000	\$ 7,726,169	1.20%	114,296	457,182					653,050	\$ 1,224,528	111.77	2.16%	MEDIUM
\$ 1,000,000	\$ 7,226,169	1.20%	106,899	427,595					653,050	\$ 1,187,544	108.39	2.10%	MEDIUM
\$ 1,700,000	\$ 6,526,169	1.20%	96,544	386,174					653,050	\$ 1,135,768	103.67	2.01%	MEDIUM

FNI Calculation

	Local Value	State Value	Score	Weighting	Weighting
Unemployment	1.0%	3.6%	1.00	4	4.00
Poverty Rate	2.7%	9.8%	1.00	2.5	2.50
Threshold LQI	\$ 56,536	\$ 33,773	1.00	2.5	2.50
Population Growth	19.1%	18.4%	1.00	1	1.00
Financial Need Indicator (Sum of weighted Scores/10)					1.00

Table **

\$2301

\$1701

B19080

B01003

Financial Burden Matrix

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

ATTACHMENT 7- Richmond City Cost Model (With Impact Fees)

Richmond City - Water Quality Board 20 Year Loan Static Cost Model with Impact Fees

Project Costs

Legal/Bonding	\$	68,000
DWQ Loan Origination Fee	\$	81,447
Engineering - Design	\$	873,000
Engineering - CMS	\$	219,000
Construction	\$	6,570,000
Contingency (2.7%)	\$	1,770,000
Total Project Cost:	\$	9,581,447

1% of DWQ only

Current Customer Base & User Charges

Initial Total Customer (ERU's)	913
MAGI for Richmond City (2022):	\$62,000
Affordable Monthly Rate at 1.4%	\$72.33
Impact Fee (per ERU):	\$5,600
Current Monthly Fee (per ERU)	\$83.00
2025 Sewer Debt Service	\$185,000
Annual O&M expense	\$653,050

Project Funding

Local Contribution	\$	1,355,278
Loan	\$	8,226,169
WQB Grant	\$	-
Total Project Cost:	\$	9,581,447

Funding Conditions

Loan Repayment Term:	19
Reserve Funding Period:	6

ESTIMATED COST OF SEWER SERVICE - 19 Year

WQB Grant	WQB Loan	WQB Loan Interest Rate	WQB Loan Reserve	New WQB Debt Service	Market Loan Interest Rate	Market Loan Amount	New Market Loan Debt Service	1.25 DSCR Set Aside	Annual Sewer O&M Cost	Impact fees per year	Total Annual Sewer Cost	Monthly Sewer Cost/ ERU	Sewer Cost as % of MAGI	FINANCIAL BURDEN
\$ -	\$ -		0	0	4.81%	8,226,169	670,175	167,544	653,050	103,040	\$ 1,387,729	126.66	2.45%	HIGH
\$ -	\$ 8,226,169	1.20%	121,692	486,769					653,050	103,040	\$ 1,158,471	105.74	2.05%	MEDIUM
\$ 500,000	\$ 7,726,169	1.20%	114,296	457,182					653,050	103,040	\$ 1,121,488	102.36	1.98%	MEDIUM
\$ 1,000,000	\$ 7,226,169	1.20%	106,899	427,595					653,050	103,040	\$ 1,084,504	98.99	1.92%	MEDIUM
\$ 1,700,000	\$ 6,526,169	1.20%	96,544	386,174					653,050	103,040	\$ 1,032,728	94.26	1.82%	MEDIUM

FNI Calculation

	Local Value	State Value	Score	Weighting Factor	Weighting Score
Unemployment	1.0%	3.6%	1.00	4	4.00
Poverty Rate	2.7%	9.8%	1.00	2.5	2.50
Threshold LOI	\$ 56,536	\$ 33,773	1.00	2.5	2.50
Population Growth	19.1%	18.4%	1.00	1	1.00
Financial Need Indicator (Sum of weighted Scores/10)					1.00

Table **
S2301
S1701
B19080
B01003

Financial Burden Matrix

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

ATTACHMENT 8- Salem City Cost Model (Without Impact Fees)

Salem City										
30 Year Static Cost Model										
Project Costs								Current Customer Base & User Charges		
Admin/Legal/Bonding		\$	450,000					Total ERC		3,432
Pre-Construction Engineering		\$	5,180,000					MAGI (Salem City 2022):		\$ 79,000
Construction Engineering Services		\$	2,999,000					1.4% MAGI Sewer Bill:		\$ 92.17
Construction		\$	54,528,000					*Current Sewer Bill		\$ 47.44
Contingency		\$	9,322,000					EXISTING DEBT		\$ 793,000
Total Project Cost:		\$	72,479,000					O&M Expenses		\$ 840,000
Requested Project Funding								Funding Conditions		
Local Contribution		\$	25,000,000					Market Loan Repayment Term:		20
Market Financing		\$	22,479,000					Market Loan Interest:		4.86%
WQB Funding Requested		\$	25,000,000					Loan Repayment Term:		30
Total Project Cost:		\$	72,479,000					Loan Reserve Period		6
ESTIMATED COST OF SEWER SERVICE										
DWQ Grant	DWQ Loan	Interest	DWQ	DWQ	Market	Market	Total Annual	Monthly Sewer	Sewer Cost as a	Financial
	Amount	Rate	Debt Service	Reserve	Loan Ammount	Debt Service	Sewer Cost	Cost/ERU	% of MAGI	Burden
\$ -	\$0	0.00%	\$0	\$0	\$47,479,000	\$3,764,744	\$ 5,397,744	131.06	1.99%	Medium
\$ -	\$25,000,000	2.80%	\$1,242,729	\$310,682	\$22,479,000	\$1,782,423	\$ 4,968,834	120.65	1.83%	Medium
\$ -	\$6,000,000	0.00%	\$200,000	\$50,000	\$41,479,000	\$3,288,987	\$ 5,171,987	125.58	1.91%	Medium
\$ -	\$6,000,000	1.00%	\$232,489	\$58,122	\$41,479,000	\$3,288,987	\$ 5,212,598	126.57	1.92%	Medium
\$ -	\$6,000,000	2.80%	\$298,255	\$74,564	\$41,479,000	\$3,288,987	\$ 5,294,806	128.56	1.95%	Medium
\$ -	\$9,000,000	0.00%	\$300,000	\$75,000	\$38,479,000	\$3,051,108	\$ 5,059,108	122.84	1.87%	Medium
\$ -	\$9,000,000	1.15%	\$356,425	\$89,106	\$38,479,000	\$3,051,108	\$ 5,129,639	124.55	1.89%	Medium
\$ -	\$9,000,000	2.80%	\$447,382	\$111,846	\$38,479,000	\$3,051,108	\$ 5,243,336	127.31	1.93%	Medium
\$ -	\$12,000,000	0.29%	\$418,232	\$104,558	\$35,479,000	\$2,813,230	\$ 4,969,020	120.65	1.83%	Medium
\$ -	\$12,000,000	1.15%	\$475,233	\$118,808	\$35,479,000	\$2,813,230	\$ 5,040,271	122.38	1.86%	Medium
\$ -	\$12,000,000	2.80%	\$596,510	\$149,127	\$35,479,000	\$2,813,230	\$ 5,191,867	126.07	1.91%	Medium
Monticello City Financial Need Indicator										
Indicators	Local Value	State Value	Score	Weighting Factor	Weighted Score					
unemployment rate	4.00%	3.40%	2.30	4.00	9.20					
Poverty Rate	4.10%	8.60%	1.00	2.50	2.50					
Threshold LQI	\$70,842	\$43,645	1.00	2.50	2.50					
Population Growth Rate	50.0%	18.4%	1.00	1.00	1.00					
Financial Need Indicator (Sum of weighted Scores/10)						1.52				
Table 3 Financial Burden Matrix										
Modified MAGI										
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					

ATTACHMENT 9- Salem City Cost Models (With Impact Fees)

Salem City											
30 Year Static Cost Model With Impact Fees											
Project Costs						Current Customer Base & User Charges					
Admin/Legal/Bonding	\$	450,000				Total ERC				3,432	
Pre-Construction Engineering	\$	5,180,000				Anticipated Growth (ERC/YR)				600	
Construction Engineering Services	\$	2,999,000				MAGI (Salem City 2022):				\$ 76,000	
Construction	\$	54,528,000				1.4% MAGI Sewer Bill:				\$ 88.67	
Contingency	\$	9,322,000				*Current Impact Fee				\$ 10,762.94	
Total Project Cost:	\$	72,479,000				-Impact Fee related to Phase 3				\$ 7,794.58	
						-Anticipated IF revenue (growth X IF)				\$ 4,676,748.00	
						*Current Sewer Bill				\$ 47.44	
						EXISTING DEBT				\$ 793,000	
						O&M Expenses				\$ 840,000	
Project Funding						Funding Conditions					
Local Contribution	\$	25,000,000				Market Loan Repayment Term:				20	
Market Financing	\$	22,479,000				Market Loan Interest Rate:				4.86%	
WQB Funding Requested	\$	25,000,000				Loan Repayment Term:				30	
Total Project Cost:	\$	72,479,000				Loan Reserve Period				6	
ESTIMATED COST OF SEWER SERVICE											
DWQ Grant	DWQ Loan	Interest	DWQ	DWQ	Market	Market	*Net Loan	Total Annual	Monthly Sewer	Sewer Cost as a	Financial
	Amount	Rate	Debt Service	Reserve	Loan Amount	Debt Service	Debt Service	Sewer Cost	Cost/ERU	% of MAGI	Burden
\$ -	\$0	0.00%	\$0	\$0	\$ 72,479,000	\$5,747,064	\$ 1,070,316	\$ 2,703,316	65.64	1.04%	Low
\$ -	\$0	2.80%	\$0	\$0	\$ 50,000,000	\$3,964,641	\$ -	\$ 1,633,000	39.65	0.63%	Low
\$ -	\$25,000,000	2.80%	\$1,242,729	\$310,682	\$ 25,000,000	\$1,982,321	\$ -	\$ 1,633,000	39.65	0.63%	Low
\$ -	\$6,000,000	0.00%	\$200,000	\$50,000	\$ 44,000,000	\$3,488,884	\$ -	\$ 1,633,000	39.65	0.63%	Low
\$ -	\$6,000,000	1.00%	\$232,489	\$58,122	\$44,000,000	\$3,488,884	\$ -	\$ 1,633,000	39.65	0.63%	Low
\$ -	\$6,000,000	2.80%	\$298,255	\$74,564	\$44,000,000	\$3,488,884	\$ -	\$ 1,633,000	39.65	0.63%	Low
\$ -	\$9,000,000	0.00%	\$300,000	\$75,000	\$41,000,000	\$3,251,006	\$ -	\$ 1,633,000	39.65	0.63%	Low
\$ -	\$9,000,000	1.15%	\$356,425	\$89,106	\$41,000,000	\$3,251,006	\$ -	\$ 1,633,000	39.65	0.63%	Low
\$ -	\$9,000,000	2.80%	\$447,382	\$111,846	\$41,000,000	\$3,251,006	\$ -	\$ 1,633,000	39.65	0.63%	Low
\$ -	\$12,000,000	0.29%	\$418,232	\$104,558	\$38,000,000	\$3,013,127	\$ -	\$ 1,633,000	39.65	0.63%	Low
\$ -	\$12,000,000	1.15%	\$475,233	\$118,808	\$38,000,000	\$3,013,127	\$ -	\$ 1,633,000	39.65	0.63%	Low
\$ -	\$12,000,000	2.80%	\$596,510	\$149,127	\$38,000,000	\$3,013,127	\$ -	\$ 1,633,000	39.65	0.63%	Low
* Net Loan Debt Service = DWQ Debt service + reserve+ market debt service - IF Revenue, however if Impact Fee (IF) revenue exceeds debt service debt service is adjusted to \$0, to offset other costs.											
Because Impact Fee revenue can't be used											
Monticello City Financial Need Indicator											
Indicators	Local Value	State Value	Score	Weighting Factor	Weighted Score						
unemployment rate	4.00%	3.40%	2.30	4.00	9.20						
Poverty Rate	4.10%	8.60%	1.00	2.50	2.50						
Threshold LQI	\$70,842	\$43,645	1.00	2.50	2.50						
Population Growth Rate	50.0%	18.4%	1.00	1.00	1.00						
Financial Need Indicator (Sum of weighted Scores/10)					1.52						
Table 3 Financial Burden Matrix											
Modified MAGI											
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						