

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

**APPLICANT'S REQUEST**

Irontown is requesting \$474,000 in financial assistance from the Drinking Water Board to construct a 300,000 gallon storage tank that will replace the existing tank, and replace approximately 2800 feet of 12-inch transmission line. Total project cost is estimated to be \$474,000.

**STAFF COMMENTS:**

Staff authorized a planning grant in March of 2016 to prepare a master plan that would evaluate infrastructure needs for the water system. The master plan is not complete yet, but during the preliminary evaluation of the water system, the engineer noted that the existing steel tank was starting to develop leaks, and that the deterioration was too extensive to repair. The engineer recommended the water system pursue funding immediately to replace the tank, based on the preliminary evaluation, while the master plan is being finalized.

Based on information from the Utah State Tax commission, the 2014 MAGI for Irontown is \$32,103, which is 77% of the State MAGI of \$41,923. The current average monthly water bill is calculated as \$58.18, which is 2.17% of the local MAGI. Therefore Irontown qualifies as a disadvantaged community.

The base evaluation returned an interest rate of 2.63% for 20 years and resulted in a water bill of 5.51% of the local MAGI. The base evaluation and two other options with principal forgiveness, 30 year term and zero percent interest are outlined in the table below, with the Financial Assistance Committee recommendation shown in bold.

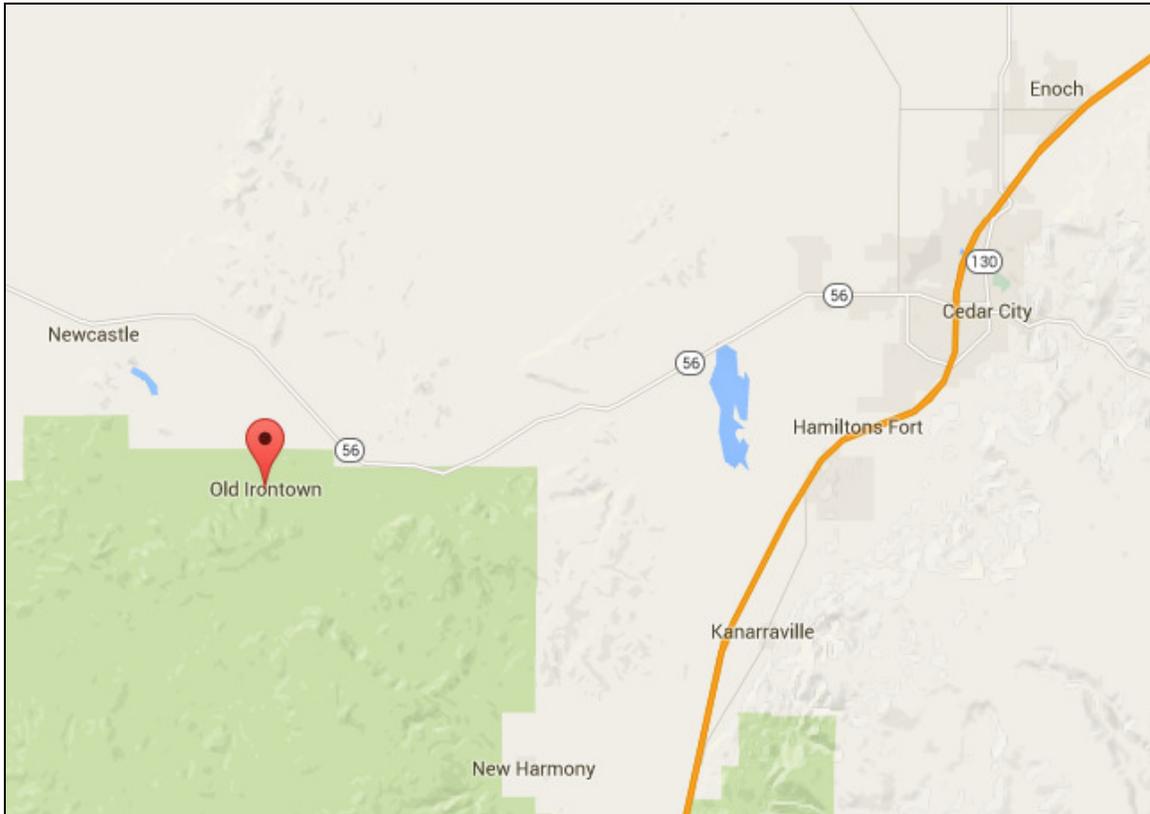
	Description	Repayable Loan Amount	Interest Rate	Term	Principal Forgiveness	Monthly Water Rate	% Local MAGI
1	Base Evaluat.	\$474,000	2.63%	20 yrs	\$0	\$147.38	5.51%
2	100% Loan	\$474,000	0.0%	30 yrs	\$0	\$95.36	3.56%
3	<b>80 / 20</b>	<b>\$379,000</b>	<b>0.0%</b>	<b>30 yrs</b>	<b>\$95,000</b>	<b>\$84.37</b>	<b>3.15%</b>

**FINANCIAL ASSISTANCE COMMITTEE RECOMMENDATION:**

**The Drinking Water Board authorize a \$474,000 construction loan at 0.0% interest for 30 years to Irontown for construction of a storage tank and transmission water line.**

**APPLICANT'S LOCATION:**

The Irontown community is located in Iron County, approximately 25 miles west of Cedar City.



**PROJECT DESCRIPTION:**

Construct a 300,000 gallon tank and install 2800 feet of 12-inch transmission water line.

**POPULATION GROWTH:**

A growth rate of 1.0% is used to in the population projects show in the table below.

	Year	Population	Connections
Current	2016	90	30
Projected	2046	127	42

**IMPLEMENTATION SCHEDULE:**

Apply to DWB for Funding:	May 2016
DWB Funding Authorization:	July 2016
Plans Submitted:	Aug 2016
Plan Approval:	Aug 2016
Advertise for Bids:	Aug 2016
Bid Opening:	Aug 2016
Loan Closing:	Sep 2016
Begin Construction:	Sep 2016
Complete Construction:	Jan 2017

**COST ESTIMATE:**

Construction:	\$400,000
Engineering / Const Management:	\$54,000
Legal/Bonding/Admin:	\$20,000
<b>Total Cost:</b>	<b>\$474,000</b>

**PROPOSED FUNDING ALLOCATION**

Funding Source	Funding Amount	Percent of Project
Irontown	\$ -	0%
DWB Loan	\$ 379,000	80%
DWB Grant	\$ 95,000	20%
<b>Total Amount</b>	<b>\$ 474,000</b>	<b>100%</b>

**CONTACT INFORMATION:**

APPLICANT: Old Irontown POA  
646 South Main Street #128  
Cedar City, UT 84720  
435-439-6027  
boko517@verizon.net

PRESIDING OFFICIAL &  
CONTACT PERSON: Barbara Osborne  
President  
646 South Main Street #128  
Cedar City, UT 84720  
435-439-6027  
boko517@verizon.net

CONSULTING ENGINEER: Curtis Nielson  
Ensign Engineering  
1870 North Main, Ste 104  
Cedar City, UT 84720  
435-865-1453  
cnielson@ensignutah.com

## DRINKING WATER BOARD FINANCIAL ASSISTANCE EVALUATION

SYSTEM NAME: Irontown  
 COUNTY: Iron  
 PROJECT DESCRIPTION: 300,000 gallon tank and 2800 ft 12-inch transmission line

FUNDING SOURCE: Federal SRF

**100 % Loan & 0 % P.F.**

ESTIMATED POPULATION:	90	NO. OF CONNECTIONS:	30 *	SYSTEM RATING:	APPROVED
CURRENT AVG WATER BILL:	\$58.18 *			PROJECT TOTAL:	\$474,000
CURRENT % OF AGI:	2.17%	FINANCIAL PTS:	38	LOAN AMOUNT:	\$474,000
ESTIMATED MEDIAN AGI:	\$32,103			PRINC. FORGIVE.:	\$0
STATE AGI:	\$41,923			TOTAL REQUEST:	\$474,000
SYSTEM % OF STATE AGI:	77%				

	@ ZERO % RATE 0%	@ RBBI MKT RATE 3.76%		AFTER REPAYMENT PENALTY & POINTS 2.63%
<b><u>SYSTEM</u></b>				
ASSUMED LENGTH OF DEBT, YRS:	20	20		20
ASSUMED NET EFFECTIVE INT. RATE:	0.00%	3.76%		2.63%
REQUIRED DEBT SERVICE:	\$23,700.00	\$34,140.57		\$30,780.37
*PARTIAL COVERAGE (15%):	\$3,555.00	\$5,121.09		\$4,617.06
*ADD. COVERAGE AND RESERVE (10%):	\$2,370.00	\$3,414.06		\$3,078.04
<b>ANNUAL NEW DEBT PER CONNECTION:</b>	<b>\$987.50</b>	<b>\$1,422.52</b>		<b>\$1,282.52</b>
O & M + FUNDED DEPRECIATION:	\$14,580.00	\$14,580.00		\$14,580.00
OTHER DEBT + COVERAGE:	\$0.00	\$0.00		\$0.00
REPLACEMENT RESERVE ACCOUNT:	\$0.00	\$0.00		\$0.00
<b>ANNUAL EXPENSES PER CONNECTION:</b>	<b>\$486.00</b>	<b>\$486.00</b>		<b>\$486.00</b>
TOTAL SYSTEM EXPENSES	\$44,205.00	\$57,255.72		\$53,055.46
TAX REVENUE:	\$0.00	\$0.00		\$0.00
<b><u>RESIDENCE</u></b>				
MONTHLY NEEDED WATER BILL:	\$122.79	\$159.04		\$147.38
% OF ADJUSTED GROSS INCOME:	4.59%	5.95%		5.51%

\* Residential Connections

# R309-700-5

Irontown  
Iron  
May 19, 2016

## TABLE 2 FINANCIAL CONSIDERATIONS

	POINTS	
1. COST EFFECTIVENESS RATIO (SELECT ONE)		
A. Project cost \$0 to \$500 per benefitting connection	16	
B. \$501 to \$1,500	14	
C. \$1,501 to \$2,000	11	
D. \$2,001 to \$3,000	8	
E. \$3,001 to \$5,000	4	
F. \$5,001 to \$10,000	1	
G. Over \$10,000	0	X
	\$15,800	
2. CURRENT LOCAL MEDIAN ADJUSTED GROSS INCOME (AGI) (SELECT ONE)		
A. Less than 70% of State Median AGI	19	
B. 71 to 80% of State Median AGI	16	X
C. 81 to 95% of State Median AGI	13	
D. 96 to 110% of State Median AGI	9	
E. 111 to 130% of State Median AGI	6	
E. 131 to 150% of State Median AGI	3	
F. Greater than 150% of State Median AGI	0	
	77%	
3. PROJECT FUNDING CONTRIBUTED BY APPLICANT (SELECT ONE)		
a. Greater than 25% of project funds	17	
b. 15 to 25% of project funds	14	
c. 10 to 15% of project funds	11	
c. 5 to 10% of project funds	8	
d. 2 to 5% of project funds	4	
e. Less than 2% of project funds	0	X
	0.0%	
4. ABILITY TO REPAY LOAN		
4. WATER BILL (INCLUDING TAXES) AFTER PROJECT IS BUILT RELATIVE TO LOCAL MEDIAN ADJUSTED GROSS INCOME (SELECT ONE)		
a. Greater than 2.50% of local median AGI	16	X
b. 2.01 to 2.50% of local median AGI	12	
c. 1.51 to 2.00% of local median AGI	8	
d. 1.01 to 1.50% of local median AGI	3	
e. 0 to 1.00% of local median AGI	0	
	5.51%	
5. SPECIAL INCENTIVE POINTS Applicant: (Mark all that apply)		
A. has a replacement fund receiving annual deposits of 5% of the system's drinking water budget been established, and has already accumulated a minimum of 10% of said annual DW budget in this reserve fund.	5	
B. Has a replacement fund equal to at least 15% or 20% of annual DW budget.	5	
C. Is creating or enhancing a regionalization plan	16	
D. Has a rate structure encouraging conservation	6	X
<b>TOTAL POINTS FOR FINANCIAL NEED</b>	<b>38</b>	
<b>TOTAL POSSIBLE POINTS FOR FINANCIAL NEED</b>	<b>100</b>	

# Irontown

## DWB Loan Terms

Local Share (total):	\$	-
Other Agency Funding:	\$	-
DWB Grant Amount:	\$	-
DWB Loan Amount:	\$	474,000
DWB Loan Term:		20
DWB Loan Interest:		2.63%
DWB Loan Payment:	\$	30,780

## DW Expenses (Estimated)

Proposed Facility Capital Cost:	\$	474,000
Existing Facility O&M Expense:	\$	14,580
Proposed Facility O&M Expense:	\$	14,580
O&M Inflation Factor:		1.0%
Existing Debt Service:	\$	-

## DW Revenue Sources (Projected)

Beginning Cash:	\$	-
Existing Customers (ERC):		30
Projected Growth Rate:		1.0%
Impact Fee/Connection Fee:	\$	-
Current Monthly User Charge:	\$	58.18
Needed Average Monthly User Charge:	\$	147.38

## DW Revenue Projections

Yr	Growth Rate (%)	Annual Growth (ERC)	Total Users (ERC)	User Charge Revenue	Impact Fee Revenue	Property Tax Revenue	Total Revenue	DWB Loan Repayment	DWB Loan Reserves	Remaining Principal	Principal Payment	Interest Payment	Existing DW Debt Service	O&M Expenses	Total Expenses	Debt Service Ratio
0	1.0%	0	30	20,946	-	-	20,946	-	-	474,000	-	-	-	14,580	14,580	-
1	1.0%	0	30	53,055	-	-	53,055	30,466	3,078	456,000	18,000	12,466	-	14,580	48,124	1.26
2	1.0%	1	31	54,824	-	-	54,824	30,993	3,078	437,000	19,000	11,993	-	14,726	48,797	1.29
3	1.0%	0	31	54,824	-	-	54,824	30,493	3,078	418,000	19,000	11,493	-	14,873	48,444	1.31
4	1.0%	0	31	54,824	-	-	54,824	30,993	3,078	398,000	20,000	10,993	-	15,022	49,093	1.28
5	1.0%	1	32	56,592	-	-	56,592	30,467	3,078	378,000	20,000	10,467	-	15,172	48,717	1.36
6	1.0%	0	32	56,592	-	-	56,592	30,941	3,078	357,000	21,000	9,941	-	15,324	49,343	1.33
7	1.0%	0	32	56,592	-	-	56,592	30,389	3,078	336,000	21,000	9,389	-	15,477	48,944	1.35
8	1.0%	0	32	56,592	-	-	56,592	30,837	3,078	314,000	22,000	8,837	-	15,632	49,547	1.33
9	1.0%	1	33	58,361	-	-	58,361	31,258	3,078	291,000	23,000	8,258	-	15,788	50,124	1.36
10	1.0%	0	33	58,361	-	-	58,361	30,653	3,078	268,000	23,000	7,653	-	15,946	49,677	1.38
11	1.0%	0	33	58,361	-	-	58,361	31,048		244,000	24,000	7,048	-	16,105	47,154	1.36
12	1.0%	1	34	60,130	-	-	60,130	30,417		220,000	24,000	6,417	-	16,266	46,684	1.44
13	1.0%	0	34	60,130	-	-	60,130	30,786		195,000	25,000	5,786	-	16,429	47,215	1.42
14	1.0%	0	34	60,130	-	-	60,130	31,129		169,000	26,000	5,129	-	16,593	47,722	1.40
15	1.0%	1	35	61,898	-	-	61,898	30,445		143,000	26,000	4,445	-	16,759	47,204	1.48
16	1.0%	0	35	61,898	-	-	61,898	30,761		116,000	27,000	3,761	-	16,927	47,688	1.46
17	1.0%	1	36	63,667	-	-	63,667	31,051		88,000	28,000	3,051	-	17,096	48,147	1.50
18	1.0%	0	36	63,667	-	-	63,667	31,314		59,000	29,000	2,314	-	17,267	48,582	1.48
19	1.0%	0	36	63,667	-	-	63,667	30,552		30,000	29,000	1,552	-	17,440	47,992	1.51
20	1.0%	1	37	65,435	-	-	65,435	30,789		-	30,000	789	-	17,614	48,403	1.55

Total Paid in Debt Service = 474,000      141,783

## DRINKING WATER BOARD FINANCIAL ASSISTANCE EVALUATION

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 COUNTY: Iron  
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**100 % Loan & 0 % P.F.**

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CURRENT % OF AGI:	2.17%	FINANCIAL PTS:	38	LOAN AMOUNT:	\$474,000
ESTIMATED MEDIAN AGI:	\$32,103			PRINC. FORGIVE.:	\$0
STATE AGI:	\$41,923			TOTAL REQUEST:	\$474,000
SYSTEM % OF STATE AGI:	77%				

	@ ZERO % RATE 0%	@ RBBI MKT RATE 3.76%		AFTER REPAYMENT PENALTY & POINTS 0.00%
<b><u>SYSTEM</u></b>				
ASSUMED LENGTH OF DEBT, YRS:	30	30		30
ASSUMED NET EFFECTIVE INT. RATE:	0.00%	3.76%		0.00%
REQUIRED DEBT SERVICE:	\$15,800.00	\$26,618.33		\$15,800.00
*PARTIAL COVERAGE (15%):	\$2,370.00	\$3,992.75		\$2,370.00
*ADD. COVERAGE AND RESERVE (10%):	\$1,580.00	\$2,661.83		\$1,580.00
<b>ANNUAL NEW DEBT PER CONNECTION:</b>	<b>\$658.33</b>	<b>\$1,109.10</b>		<b>\$658.33</b>
O & M + FUNDED DEPRECIATION:	\$14,580.00	\$14,580.00		\$14,580.00
OTHER DEBT + COVERAGE:	\$0.00	\$0.00		\$0.00
REPLACEMENT RESERVE ACCOUNT:	\$0.00	\$0.00		\$0.00
<b>ANNUAL EXPENSES PER CONNECTION:</b>	<b>\$486.00</b>	<b>\$486.00</b>		<b>\$486.00</b>
TOTAL SYSTEM EXPENSES	\$34,330.00	\$47,852.92		\$34,330.00
TAX REVENUE:	\$0.00	\$0.00		\$0.00
<b><u>RESIDENCE</u></b>				
MONTHLY NEEDED WATER BILL:	\$95.36	\$132.92		\$95.36
% OF ADJUSTED GROSS INCOME:	3.56%	4.97%		3.56%

\* Residential Connections

Irontown

PROPOSED BOND REPAYMENT SCHEDULE

100 % Loan & 0 % P.F.

PRINCIPAL	\$474,000.00	ANTICIPATED CLOSING DATE	15-Sep-16
INTEREST	0.00%	FIRST P&I PAYMENT DUE	01-Jan-18
TERM	30	REVENUE BOND	
NOMIN. PAYMENT	\$15,800.00	PRINC. FORGIVE.:	\$0.00

YEAR	BEGINNING BALANCE	DATE OF PAYMENT	PAYMENT	PRINCIPAL	INTEREST	ENDING BALANCE	PAYM NO.
2017	\$474,000.00		\$0.00 *	\$0.00	\$0.00	\$474,000.00	0
2018	\$474,000.00		\$16,000.00	\$16,000.00	\$0.00	\$458,000.00	1
2019	\$458,000.00		\$16,000.00	\$16,000.00	\$0.00	\$442,000.00	2
2020	\$442,000.00		\$16,000.00	\$16,000.00	\$0.00	\$426,000.00	3
2021	\$426,000.00		\$16,000.00	\$16,000.00	\$0.00	\$410,000.00	4
2022	\$410,000.00		\$16,000.00	\$16,000.00	\$0.00	\$394,000.00	5
2023	\$394,000.00		\$16,000.00	\$16,000.00	\$0.00	\$378,000.00	6
2024	\$378,000.00		\$16,000.00	\$16,000.00	\$0.00	\$362,000.00	7
2025	\$362,000.00		\$16,000.00	\$16,000.00	\$0.00	\$346,000.00	8
2026	\$346,000.00		\$16,000.00	\$16,000.00	\$0.00	\$330,000.00	9
2027	\$330,000.00		\$16,000.00	\$16,000.00	\$0.00	\$314,000.00	10
2028	\$314,000.00		\$16,000.00	\$16,000.00	\$0.00	\$298,000.00	11
2029	\$298,000.00		\$16,000.00	\$16,000.00	\$0.00	\$282,000.00	12
2030	\$282,000.00		\$16,000.00	\$16,000.00	\$0.00	\$266,000.00	13
2031	\$266,000.00		\$16,000.00	\$16,000.00	\$0.00	\$250,000.00	14
2032	\$250,000.00		\$16,000.00	\$16,000.00	\$0.00	\$234,000.00	15
2033	\$234,000.00		\$16,000.00	\$16,000.00	\$0.00	\$218,000.00	16
2034	\$218,000.00		\$16,000.00	\$16,000.00	\$0.00	\$202,000.00	17
2035	\$202,000.00		\$16,000.00	\$16,000.00	\$0.00	\$186,000.00	18
2036	\$186,000.00		\$16,000.00	\$16,000.00	\$0.00	\$170,000.00	19
2037	\$170,000.00		\$15,000.00	\$15,000.00	\$0.00	\$155,000.00	20
2038	\$155,000.00		\$16,000.00	\$16,000.00	\$0.00	\$139,000.00	21
2039	\$139,000.00		\$15,000.00	\$15,000.00	\$0.00	\$124,000.00	22
2040	\$124,000.00		\$16,000.00	\$16,000.00	\$0.00	\$108,000.00	23
2041	\$108,000.00		\$15,000.00	\$15,000.00	\$0.00	\$93,000.00	24
2042	\$93,000.00		\$16,000.00	\$16,000.00	\$0.00	\$77,000.00	25
2043	\$77,000.00		\$15,000.00	\$15,000.00	\$0.00	\$62,000.00	26
2044	\$62,000.00		\$16,000.00	\$16,000.00	\$0.00	\$46,000.00	27
2045	\$46,000.00		\$15,000.00	\$15,000.00	\$0.00	\$31,000.00	28
2046	\$31,000.00		\$16,000.00	\$16,000.00	\$0.00	\$15,000.00	29
2047	\$15,000.00		\$15,000.00	\$15,000.00	\$0.00	\$0.00	30
			\$474,000.00	\$474,000.00	\$0.00		

\*Interest Only Payment

## Irontown

### PROPOSED BOND REPAYMENT SCHEDULE

100 % Loan & 0 % P.F.

PRINCIPAL	\$474,000.00	ANTICIPATED CLOSING DATE	15-Sep-16
INTEREST	2.63%	FIRST P&I PAYMENT DUE	01-Jan-18
TERM	20	REVENUE BOND	
NOMIN. PAYMENT	\$30,780.37	PRINC. FORGIVE.:	\$0.00

YEAR	BEGINNING BALANCE	DATE OF PAYMENT	PAYMENT	PRINCIPAL	INTEREST	ENDING BALANCE	PAYM NO.
2017	\$474,000.00		\$3,670.60 *	\$0.00	\$3,670.60	\$474,000.00	0
2018	\$474,000.00		\$30,466.20	\$18,000.00	\$12,466.20	\$456,000.00	1
2019	\$456,000.00		\$30,992.80	\$19,000.00	\$11,992.80	\$437,000.00	2
2020	\$437,000.00		\$30,493.10	\$19,000.00	\$11,493.10	\$418,000.00	3
2021	\$418,000.00		\$30,993.40	\$20,000.00	\$10,993.40	\$398,000.00	4
2022	\$398,000.00		\$30,467.40	\$20,000.00	\$10,467.40	\$378,000.00	5
2023	\$378,000.00		\$30,941.40	\$21,000.00	\$9,941.40	\$357,000.00	6
2024	\$357,000.00		\$30,389.10	\$21,000.00	\$9,389.10	\$336,000.00	7
2025	\$336,000.00		\$30,836.80	\$22,000.00	\$8,836.80	\$314,000.00	8
2026	\$314,000.00		\$31,258.20	\$23,000.00	\$8,258.20	\$291,000.00	9
2027	\$291,000.00		\$30,653.30	\$23,000.00	\$7,653.30	\$268,000.00	10
2028	\$268,000.00		\$31,048.40	\$24,000.00	\$7,048.40	\$244,000.00	11
2029	\$244,000.00		\$30,417.20	\$24,000.00	\$6,417.20	\$220,000.00	12
2030	\$220,000.00		\$30,786.00	\$25,000.00	\$5,786.00	\$195,000.00	13
2031	\$195,000.00		\$31,128.50	\$26,000.00	\$5,128.50	\$169,000.00	14
2032	\$169,000.00		\$30,444.70	\$26,000.00	\$4,444.70	\$143,000.00	15
2033	\$143,000.00		\$30,760.90	\$27,000.00	\$3,760.90	\$116,000.00	16
2034	\$116,000.00		\$31,050.80	\$28,000.00	\$3,050.80	\$88,000.00	17
2035	\$88,000.00		\$31,314.40	\$29,000.00	\$2,314.40	\$59,000.00	18
2036	\$59,000.00		\$30,551.70	\$29,000.00	\$1,551.70	\$30,000.00	19
2037	\$30,000.00		\$30,789.00	\$30,000.00	\$789.00	\$0.00	20
			\$619,453.90	\$474,000.00	\$145,453.90		

\*Interest Only Payment

# Irontown

## DWB Loan Terms

Local Share (total):	\$	-
Other Agency Funding:	\$	-
DWB Grant Amount:	\$	-
DWB Loan Amount:	\$	474,000
DWB Loan Term:		30
DWB Loan Interest:		0.00%
DWB Loan Payment:	\$	15,800

## DW Expenses (Estimated)

Proposed Facility Capital Cost:	\$	474,000
Existing Facility O&M Expense:	\$	14,580
Proposed Facility O&M Expense:	\$	14,580
O&M Inflation Factor:		1.0%
Existing Debt Service:	\$	-

## DW Revenue Sources (Projected)

Beginning Cash:	\$	-
Existing Customers (ERC):		30
Projected Growth Rate:		1.0%
Impact Fee/Connection Fee:	\$	-
Current Monthly User Charge:	\$	58.18
Needed Average Monthly User Charge:	\$	95.36

## DW Revenue Projections

Yr	Growth Rate (%)	Annual Growth (ERC)	Total Users (ERC)	User Charge Revenue	Impact Fee Revenue	Property Tax Revenue	Total Revenue	DWB Loan Repayment	DWB Loan Reserves	Remaining Principal	Principal Payment	Interest Payment	Existing DW Debt Service	O&M Expenses	Total Expenses	Debt Service Ratio
0	1.0%	0	30	20,946	-	-	20,946	-	-	474,000	-	-	-	14,580	14,580	-
1	1.0%	0	30	34,330	-	-	34,330	16,000	1,580	458,000	16,000	-	-	14,580	32,160	1.23
2	1.0%	1	31	35,474	-	-	35,474	16,000	1,580	442,000	16,000	-	-	14,726	32,306	1.30
3	1.0%	0	31	35,474	-	-	35,474	16,000	1,580	426,000	16,000	-	-	14,873	32,453	1.29
4	1.0%	0	31	35,474	-	-	35,474	16,000	1,580	410,000	16,000	-	-	15,022	32,602	1.28
5	1.0%	1	32	36,619	-	-	36,619	16,000	1,580	394,000	16,000	-	-	15,172	32,752	1.34
6	1.0%	0	32	36,619	-	-	36,619	16,000	1,580	378,000	16,000	-	-	15,324	32,904	1.33
7	1.0%	0	32	36,619	-	-	36,619	16,000	1,580	362,000	16,000	-	-	15,477	33,057	1.32
8	1.0%	0	32	36,619	-	-	36,619	16,000	1,580	346,000	16,000	-	-	15,632	33,212	1.31
9	1.0%	1	33	37,763	-	-	37,763	16,000	1,580	330,000	16,000	-	-	15,788	33,368	1.37
10	1.0%	0	33	37,763	-	-	37,763	16,000	1,580	314,000	16,000	-	-	15,946	33,526	1.36
11	1.0%	0	33	37,763	-	-	37,763	16,000	1,580	298,000	16,000	-	-	16,105	32,105	1.35
12	1.0%	1	34	38,907	-	-	38,907	16,000	1,580	282,000	16,000	-	-	16,266	32,266	1.42
13	1.0%	0	34	38,907	-	-	38,907	16,000	1,580	266,000	16,000	-	-	16,429	32,429	1.40
14	1.0%	0	34	38,907	-	-	38,907	16,000	1,580	250,000	16,000	-	-	16,593	32,593	1.39
15	1.0%	1	35	40,052	-	-	40,052	16,000	1,580	234,000	16,000	-	-	16,759	32,759	1.46
16	1.0%	0	35	40,052	-	-	40,052	16,000	1,580	218,000	16,000	-	-	16,927	32,927	1.45
17	1.0%	1	36	41,196	-	-	41,196	16,000	1,580	202,000	16,000	-	-	17,096	33,096	1.51
18	1.0%	0	36	41,196	-	-	41,196	16,000	1,580	186,000	16,000	-	-	17,267	33,267	1.50
19	1.0%	0	36	41,196	-	-	41,196	16,000	1,580	170,000	16,000	-	-	17,440	33,440	1.48
20	1.0%	1	37	42,340	-	-	42,340	15,000	1,580	155,000	15,000	-	-	17,614	32,614	1.65
21	1.0%	0	37	42,340	-	-	42,340	16,000	1,580	139,000	16,000	-	-	17,790	33,790	1.53
22	1.0%	0	37	42,340	-	-	42,340	15,000	1,580	124,000	15,000	-	-	17,968	32,968	1.62
23	1.0%	1	38	43,485	-	-	43,485	16,000	1,580	108,000	16,000	-	-	18,148	34,148	1.58
24	1.0%	0	38	43,485	-	-	43,485	15,000	1,580	93,000	15,000	-	-	18,329	33,329	1.68
25	1.0%	0	38	43,485	-	-	43,485	16,000	1,580	77,000	16,000	-	-	18,513	34,513	1.56
26	1.0%	1	39	44,629	-	-	44,629	15,000	1,580	62,000	15,000	-	-	18,698	33,698	1.73
27	1.0%	0	39	44,629	-	-	44,629	16,000	1,580	46,000	16,000	-	-	18,885	34,885	1.61
28	1.0%	1	40	45,773	-	-	45,773	15,000	1,580	31,000	15,000	-	-	19,074	34,074	1.78
29	1.0%	0	40	45,773	-	-	45,773	16,000	1,580	15,000	16,000	-	-	19,264	35,264	1.66
30	1.0%	0	40	45,773	-	-	45,773	15,000	1,580	-	15,000	-	-	19,457	34,457	1.75

Total Paid in Debt Service = 474,000

## DRINKING WATER BOARD FINANCIAL ASSISTANCE EVALUATION

SYSTEM NAME: Irontown  
 COUNTY: Iron  
 PROJECT DESCRIPTION: 300,000 gallon tank and 2800 ft 12-inch transmission line

FUNDING SOURCE: Federal SRF

**80 % Loan & 20 % P.F.**

ESTIMATED POPULATION:	90	NO. OF CONNECTIONS:	30 *	SYSTEM RATING:	APPROVED
CURRENT AVG WATER BILL:	\$58.18 *			PROJECT TOTAL:	\$474,000
CURRENT % OF AGI:	2.17%	FINANCIAL PTS:	38	LOAN AMOUNT:	\$379,000
ESTIMATED MEDIAN AGI:	\$32,103			PRINC. FORGIVE.:	\$95,000
STATE AGI:	\$41,923			TOTAL REQUEST:	\$474,000
SYSTEM % OF STATE AGI:	77%				

	@ ZERO % RATE 0%	@ RBBI MKT RATE 3.76%	AFTER REPAYMENT PENALTY & POINTS 0.00%
<b><u>SYSTEM</u></b>			
ASSUMED LENGTH OF DEBT, YRS:	30	30	30
ASSUMED NET EFFECTIVE INT. RATE:	0.00%	3.76%	0.00%
REQUIRED DEBT SERVICE:	\$12,633.33	\$21,283.44	\$12,633.33
*PARTIAL COVERAGE (15%):	\$1,895.00	\$3,192.52	\$1,895.00
*ADD. COVERAGE AND RESERVE (10%):	\$1,263.33	\$2,128.34	\$1,263.33
<b>ANNUAL NEW DEBT PER CONNECTION:</b>	<b>\$526.39</b>	<b>\$886.81</b>	<b>\$526.39</b>
O & M + FUNDED DEPRECIATION:	\$14,580.00	\$14,580.00	\$14,580.00
OTHER DEBT + COVERAGE:	\$0.00	\$0.00	\$0.00
REPLACEMENT RESERVE ACCOUNT:	\$0.00	\$0.00	\$0.00
<b>ANNUAL EXPENSES PER CONNECTION:</b>	<b>\$486.00</b>	<b>\$486.00</b>	<b>\$486.00</b>
TOTAL SYSTEM EXPENSES	\$30,371.67	\$41,184.30	\$30,371.67
TAX REVENUE:	\$0.00	\$0.00	\$0.00
<b><u>RESIDENCE</u></b>			
MONTHLY NEEDED WATER BILL:	\$84.37	\$114.40	\$84.37
% OF ADJUSTED GROSS INCOME:	3.15%	4.28%	3.15%

\* Residential Connections

Irontown

PROPOSED BOND REPAYMENT SCHEDULE

80 % Loan & 20 % P.F.

PRINCIPAL	\$379,000.00	ANTICIPATED CLOSING DATE	15-Sep-16
INTEREST	0.00%	FIRST P&I PAYMENT DUE	01-Jan-18
TERM	30	REVENUE BOND	
NOMIN. PAYMENT	\$12,633.33	PRINC. FORGIVE.:	\$95,000.00

YEAR	BEGINNING BALANCE	DATE OF PAYMENT	PAYMENT	PRINCIPAL	INTEREST	ENDING BALANCE	PAYM NO.
2017	\$379,000.00		\$0.00 *	\$0.00	\$0.00	\$379,000.00	0
2018	\$379,000.00		\$13,000.00	\$13,000.00	\$0.00	\$366,000.00	1
2019	\$366,000.00		\$13,000.00	\$13,000.00	\$0.00	\$353,000.00	2
2020	\$353,000.00		\$13,000.00	\$13,000.00	\$0.00	\$340,000.00	3
2021	\$340,000.00		\$13,000.00	\$13,000.00	\$0.00	\$327,000.00	4
2022	\$327,000.00		\$13,000.00	\$13,000.00	\$0.00	\$314,000.00	5
2023	\$314,000.00		\$13,000.00	\$13,000.00	\$0.00	\$301,000.00	6
2024	\$301,000.00		\$13,000.00	\$13,000.00	\$0.00	\$288,000.00	7
2025	\$288,000.00		\$13,000.00	\$13,000.00	\$0.00	\$275,000.00	8
2026	\$275,000.00		\$13,000.00	\$13,000.00	\$0.00	\$262,000.00	9
2027	\$262,000.00		\$12,000.00	\$12,000.00	\$0.00	\$250,000.00	10
2028	\$250,000.00		\$13,000.00	\$13,000.00	\$0.00	\$237,000.00	11
2029	\$237,000.00		\$12,000.00	\$12,000.00	\$0.00	\$225,000.00	12
2030	\$225,000.00		\$13,000.00	\$13,000.00	\$0.00	\$212,000.00	13
2031	\$212,000.00		\$12,000.00	\$12,000.00	\$0.00	\$200,000.00	14
2032	\$200,000.00		\$13,000.00	\$13,000.00	\$0.00	\$187,000.00	15
2033	\$187,000.00		\$12,000.00	\$12,000.00	\$0.00	\$175,000.00	16
2034	\$175,000.00		\$13,000.00	\$13,000.00	\$0.00	\$162,000.00	17
2035	\$162,000.00		\$12,000.00	\$12,000.00	\$0.00	\$150,000.00	18
2036	\$150,000.00		\$13,000.00	\$13,000.00	\$0.00	\$137,000.00	19
2037	\$137,000.00		\$12,000.00	\$12,000.00	\$0.00	\$125,000.00	20
2038	\$125,000.00		\$13,000.00	\$13,000.00	\$0.00	\$112,000.00	21
2039	\$112,000.00		\$12,000.00	\$12,000.00	\$0.00	\$100,000.00	22
2040	\$100,000.00		\$13,000.00	\$13,000.00	\$0.00	\$87,000.00	23
2041	\$87,000.00		\$12,000.00	\$12,000.00	\$0.00	\$75,000.00	24
2042	\$75,000.00		\$13,000.00	\$13,000.00	\$0.00	\$62,000.00	25
2043	\$62,000.00		\$12,000.00	\$12,000.00	\$0.00	\$50,000.00	26
2044	\$50,000.00		\$13,000.00	\$13,000.00	\$0.00	\$37,000.00	27
2045	\$37,000.00		\$12,000.00	\$12,000.00	\$0.00	\$25,000.00	28
2046	\$25,000.00		\$13,000.00	\$13,000.00	\$0.00	\$12,000.00	29
2047	\$12,000.00		\$12,000.00	\$12,000.00	\$0.00	\$0.00	30
			\$379,000.00	\$379,000.00	\$0.00		

\*Interest Only Payment

# Irontown

## DWB Loan Terms

Local Share (total):	\$	-
Other Agency Funding:	\$	-
DWB Grant Amount:	\$	95,000
DWB Loan Amount:	\$	379,000
DWB Loan Term:		30
DWB Loan Interest:		0.00%
DWB Loan Payment:	\$	12,633

## DW Expenses (Estimated)

Proposed Facility Capital Cost:	\$	474,000
Existing Facility O&M Expense:	\$	14,580
Proposed Facility O&M Expense:	\$	14,580
O&M Inflation Factor:		1.0%
Existing Debt Service:	\$	-

## DW Revenue Sources (Projected)

Beginning Cash:	\$	-
Existing Customers (ERC):		30
Projected Growth Rate:		1.0%
Impact Fee/Connection Fee:	\$	-
Current Monthly User Charge:	\$	58.18
Needed Average Monthly User Charge:	\$	84.37

## DW Revenue Projections

Yr	Growth Rate (%)	Annual Growth (ERC)	Total Users (ERC)	User Charge Revenue	Impact Fee Revenue	Property Tax Revenue	Total Revenue	DWB Loan Repayment	DWB Loan Reserves	Remaining Principal	Principal Payment	Interest Payment	Existing DW Debt Service	O&M Expenses	Total Expenses	Debt Service Ratio
0	1.0%	0	30	20,946	-	-	20,946	-	-	379,000	-	-	-	14,580	14,580	-
1	1.0%	0	30	30,372	-	-	30,372	13,000	1,263	366,000	13,000	-	-	14,580	28,843	1.21
2	1.0%	1	31	31,384	-	-	31,384	13,000	1,263	353,000	13,000	-	-	14,726	28,989	1.28
3	1.0%	0	31	31,384	-	-	31,384	13,000	1,263	340,000	13,000	-	-	14,873	29,136	1.27
4	1.0%	0	31	31,384	-	-	31,384	13,000	1,263	327,000	13,000	-	-	15,022	29,285	1.26
5	1.0%	1	32	32,396	-	-	32,396	13,000	1,263	314,000	13,000	-	-	15,172	29,435	1.32
6	1.0%	0	32	32,396	-	-	32,396	13,000	1,263	301,000	13,000	-	-	15,324	29,587	1.31
7	1.0%	0	32	32,396	-	-	32,396	13,000	1,263	288,000	13,000	-	-	15,477	29,740	1.30
8	1.0%	0	32	32,396	-	-	32,396	13,000	1,263	275,000	13,000	-	-	15,632	29,895	1.29
9	1.0%	1	33	33,409	-	-	33,409	13,000	1,263	262,000	13,000	-	-	15,788	30,051	1.36
10	1.0%	0	33	33,409	-	-	33,409	12,000	1,263	250,000	12,000	-	-	15,946	29,209	1.46
11	1.0%	0	33	33,409	-	-	33,409	13,000		237,000	13,000	-	-	16,105	29,105	1.33
12	1.0%	1	34	34,421	-	-	34,421	12,000		225,000	12,000	-	-	16,266	28,266	1.51
13	1.0%	0	34	34,421	-	-	34,421	13,000		212,000	13,000	-	-	16,429	29,429	1.38
14	1.0%	0	34	34,421	-	-	34,421	12,000		200,000	12,000	-	-	16,593	28,593	1.49
15	1.0%	1	35	35,434	-	-	35,434	13,000		187,000	13,000	-	-	16,759	29,759	1.44
16	1.0%	0	35	35,434	-	-	35,434	12,000		175,000	12,000	-	-	16,927	28,927	1.54
17	1.0%	1	36	36,446	-	-	36,446	13,000		162,000	13,000	-	-	17,096	30,096	1.49
18	1.0%	0	36	36,446	-	-	36,446	12,000		150,000	12,000	-	-	17,267	29,267	1.60
19	1.0%	0	36	36,446	-	-	36,446	13,000		137,000	13,000	-	-	17,440	30,440	1.46
20	1.0%	1	37	37,458	-	-	37,458	12,000		125,000	12,000	-	-	17,614	29,614	1.65
21	1.0%	0	37	37,458	-	-	37,458	13,000		112,000	13,000	-	-	17,790	30,790	1.51
22	1.0%	0	37	37,458	-	-	37,458	12,000		100,000	12,000	-	-	17,968	29,968	1.62
23	1.0%	1	38	38,471	-	-	38,471	13,000		87,000	13,000	-	-	18,148	31,148	1.56
24	1.0%	0	38	38,471	-	-	38,471	12,000		75,000	12,000	-	-	18,329	30,329	1.68
25	1.0%	0	38	38,471	-	-	38,471	13,000		62,000	13,000	-	-	18,513	31,513	1.54
26	1.0%	1	39	39,483	-	-	39,483	12,000		50,000	12,000	-	-	18,698	30,698	1.73
27	1.0%	0	39	39,483	-	-	39,483	13,000		37,000	13,000	-	-	18,885	31,885	1.58
28	1.0%	1	40	40,496	-	-	40,496	12,000		25,000	12,000	-	-	19,074	31,074	1.79
29	1.0%	0	40	40,496	-	-	40,496	13,000		12,000	13,000	-	-	19,264	32,264	1.63
30	1.0%	0	40	40,496	-	-	40,496	12,000		-	12,000	-	-	19,457	31,457	1.75

Total Paid in Debt Service = 379,000

## Utah Department Of Environmental Quality Division Of Drinking Water

<b>IRONTOWN</b>	<b>PWS ID: UTAH11070 Rating: Approved</b>	<b>06/01/2009</b>	<b>Active</b>
<b>Legal Contact</b>	<b>Site Updates</b>	<b>Consumptive Use Zone</b>	
IRONTOWN TRACY HOBART FELTNER 87 N Highland Drive CEDAR CITY, UT 84721 Phone: 435-592-4317 County: IRON COUNTY System Type: Community Population: 45	Last Inventory Update: 03/18/2015 Last Surveyor Update: 07/01/2015 Surveyor: JOHN GALLIS Operating Period: 1/1 - 12/31 Last IPS Update: 05/19/2016 07:00:00	Irrigation Zone: 3 Date: 02/15/2013	

### Admin Contacts

Name	Title	Office	Emergency	Email
FELTNER, TRACY HOBART		435-865-9901		TRACY@CICWCD.ORG

### IPS Report

### IPS Summary

Total IPS Points	Admin & Physical Facilities	Quality & Monitoring	Operator Certification	Significant Deficiency
<b>27</b>	<b>-3</b>	<b>40</b>	<b>-10</b>	<b>0</b>

### Physical Facility Points

Code	Description	Severity	Point Effective		
M001	CURRENT EMERGENCY RESPONSE PROGRAM REC		-10		
Facility	Comments	Status	Determined	Point Not Assessed	Point Assessed
			07/11/2006		-10
V004	STORAGE FACILITY INADEQUATE LADDERS OR RAILINGS	MIN	2		
Facility	Comments	Status	Determined	Point Not Assessed	Point Assessed
ST001 OLD IRONTOWN STORAGE RESERVOIR		Active	07/01/2015		2
V005	STORAGE FACILITY VENT NOT TURNED DOWN	MIN	2		
Facility	Comments	Status	Determined	Point Not Assessed	Point Assessed
ST001 OLD IRONTOWN STORAGE RESERVOIR	Mushroom cap needs to extend 2 inches below bottom of screen.	Active	10/06/2012		2
V008	STORAGE ACCESS NOT A MIN. OF 4 IN ABOVE SURFACE	MIN	3		
Facility	Comments	Status	Determined	Point Not Assessed	Point Assessed
ST001 OLD IRONTOWN STORAGE RESERVOIR		Active	09/08/2009		3

**Total Effective Points: -3**

**Microbial Rule Violations**

Determined	Compliance Period	Code	Violation Type	Return To Compliance	Point Effective
09/16/2015	07/01/2015 - 07/31/2015	22	MCL (TCR), MONTHLY	N	40
<b>Total Effective Points: 40</b>					

**Operator Certification Points**

Type	Level Required	Highest Certificate	Point Effective
Distribution	Small System	Dist 3	-10
Treatment			0
<b>Total Effective Points: -10</b>			