Data-Driven Decisions

On Affordability:

Utah’s Approach
Overview

01 Utah in General

02 Utah’s DWSRF Programs

03 Utah’s Disadvantaged Community Definition

04 Utah’s Hardship Funding Map
Utah in General

<table>
<thead>
<tr>
<th>Population</th>
<th>3,373,162</th>
</tr>
</thead>
<tbody>
<tr>
<td>Area</td>
<td>82,168 sq miles</td>
</tr>
<tr>
<td>Active Water Systems</td>
<td>1,054</td>
</tr>
</tbody>
</table>
Utah in General

Utah's Water Systems

- Non-Transient: 500
- Transient: 85
- Community: 469

Utah's Community Water Systems

- Very Small: 251
- Small: 133
- Medium: 61
- Large: 51
- Very Large: 4
Utah’s DWSRF Programs

State SRF Program

- Established by legislature in 1984
- Funding Source: annual state sales tax allocation
- Capped at $3,587,000
- Provides:
  - Financial Assistance for infrastructure projects, political entities only
  - Federal program state match

Federal SRF Program

- Established by 1996 SDWA Amendments
- Funding Source: Annual Capitalization Grant
- Utah is a 1% state
- Average around $10,000,000 per year, prior to BIL
- No leveraging
- Provides:
  - Financial Assistance for infrastructure projects, political entities or privately-owned systems
Disadvantaged Communities currently defined in both State and Federal DWSRF program rules.

“...communities located in an area which has a median adjusted gross income less than or equal to 80% of the State’s median adjusted gross income, as determined by the Utah State Tax commission from federal individual income tax returns excluding zero exemption returns, or where the estimated annual cost, including loan repayment costs, of drinking water service for the average residential user exceeds 1.75% of the median adjusted gross income...”

Definition is inadequate

- MAGI data available on municipality level or ZIP Code level
- Does not account for areas within larger city boundaries that may be disadvantaged
- Does not account for other definitions or metrics that can identify disadvantaged or underserved communities
- Does not target financial assistance, specifically subsidy, to these disadvantaged or underserved areas
Disadvantaged Communities

Evaluate EPA’s EJScreen Tool
- Identify which if any of the available demographic metrics are applicable to Utah
- Possible metrics include:
  - People of Color
  - Low-income households
  - Unemployment Rate
  - Demographic Index
  - EJ Indexes

Establish Utah-specific drinking water-focused indexes
- Drinking Water Quality
  - E. coli positive samples
  - Nitrate MCL violations
  - Lead Action Level exceedances
  - Do Not Drink or Boil Orders
- Drinking Water Reliability
  - Significant Deficiencies/IPS Points
  - Failure To Fix violations
  - Required to disinfect
  - ETT Score
  - Certified Operator status
  - Unapproved status
Disadvantaged Communities

Stakeholder Input

Population Centers

- Most of Utah’s Population is centered around the Wasatch Front
  - Roughly encompasses from Ogden on the North to Spanish Fork on the South
  - Another Significant population area is centered around St. George in Washington County

- Division staff worked with both Ogden and Salt Lake City
  - Discussed the different proposed EJScreen metrics
  - The work group identified the demographic index as the most applicable index
    - It was a good match for current understanding of disadvantaged areas within those cities based on:
      - Housing quality
      - Income levels
      - Population and demographics
Disadvantaged Communities

The Division included the following disadvantaged community language in its 2022 Intended Use Plan:

“... the disadvantaged community criteria as applied to Lead Service Line Replacement Funding are being expanded to include zip codes or census tracts with a local MAGI that is less than 80% of the State’s MAGI as well as applying a Demographic Index. Expanding the criteria in this way not only ensures that disadvantaged areas within a community or service area are not overlooked or disqualified from receiving assistance that is needed, but it also prioritizes funding for these communities. Communities meeting the criteria are eligible to receive grant funding or forgivable loans in accordance with BIL requirements.”
Disadvantaged Communities

Applying the Definition

Develop an interactive web map

- The Division used in-house GIS expertise
- Combined data on MAGI with Census tract data related to EJScreen’s Demographic Index
  - Any area at or above 80% of the Demographic Index is highlighted
  - Any area with an MAGI less than 80% of the State MAGI is highlighted

Data Sources

- Drinking Water System boundaries are provided by Utah’s Division of Water Resources in ArcGIS
- EJScreen demographic index layer was developed by US EPA
- ZIP Code boundaries are available from the State Geographic Information Database at the Utah Geospatial Resource Center
- MAGI data are prepared annually by the Utah State Tax Commission
The Map

https://utahdeq.maps.arcgis.com/apps/webappviewer/index.html?id=58e02f194954482da096e170e1565517
The Map
Challenge and Opportunity

“Remember that every challenge — every adversity — contains within it the seeds of opportunity and growth.”
- Roy T. Bennett

“Smooth seas do not make skillful sailors.”
- African Proverb
Questions?
Thank you

Michael J. Grange, P.E.
Utah Division of Drinking Water
Technical Assistance Section Manager

CELL PHONE
(801) 674-2563

EMAIL
mgrange@utah.gov