

AMENDMENT TO SUBRECIPIENT AGREEMENT FOR
AMERICAN RESCUE PLAN ACT SLFRF FUNDS

Maple Well Pump to Waste

This Amendment to Subrecipient Agreement ("Amendment") amends the "Subrecipient Agreement for American Rescue Plan Act SLFRF Funds" ("Original Agreement") between the County of Weber, Utah (the "County") and Green Hills Water and Sewer District (the "Subrecipient"), individually referred to as "Party" and jointly referred to as "Parties," which the Parties fully executed on or about August 8, 2022. The purpose of this Amendment is to revise the scope of Subrecipient's Project and to increase the amount of SLFRF funding provided by the County to the Subrecipient; and

WHEREAS, Section 1, Paragraph B of the Original Agreement provides:

"In no event shall a revision to the scope of the Project entitle the Subrecipient to an additional allocation of SLFRF funds by the County unless Subrecipient makes a request to the County for additional funds. The Weber County Commission, in its sole discretion, may approve and authorize additional SLFRF funds for the Project."

WHEREAS, Subrecipient submitted a revised application to the County for additional SLFRF funds and a revised scope of the Project, attached hereto as **Exhibit 1**; and

WHEREAS, based on the Subrecipient's revised application, the County has determined that the Subrecipient's revised Project is an eligible use of SLFRF funds under ARPA and the Final Rule; and

WHEREAS, the County has awarded the Subrecipient additional SLFRF funds in the amount of \$206,500, for a total Award of \$226,500, subject to the County and the Subrecipient entering into this Amendment.

NOW, THEREFORE, for the mutual promises set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each Party hereto, the Parties hereby agree as follows:

1. RECITALS AND DEFINED TERMS

- A.** The above recitals are incorporated into, and made a part of, the Original Agreement.
- B.** All capitalized terms not defined in this Amendment shall have the meanings assigned to them in the Original Agreement.

2. AMENDMENTS

- A.** The amount of the Award in the Original Agreement is amended to \$226,500.
- B.** Exhibit 1 of this Amendment is incorporated into, and made part of, Exhibit A of the

Original Agreement.

3. NO FURTHER MODIFICATIONS.

- A. Except as modified by this Amendment, the remaining terms and conditions of the Original Agreement remain unmodified and in full force and effect, and the Parties hereby ratify all other provisions in the Original Agreement.

EXECUTION:

**BOARD OF COUNTY COMMISSIONERS
OF WEBER COUNTY**

By _____
Gage Froerer, Chair

Date _____

Commissioner Froerer voted _____

Commissioner Harvey voted _____

Commissioner Bolos voted _____

ATTEST:

Weber County Clerk/Auditor

**GREEN HILLS WATER
AND SEWER DISTRICT**

By Jean M. Brill
Jean M. Brill, General Mgr.

Date 6-29-2023

ATTEST:

Leslie C. Stitt
Leslie C. Stitt
By: _____
Green Hills Clerk

EXHIBIT 1: SUBRECIPIENT'S REVISED APPLICATION

Weber County ARPA Assistance Application

Please return the completed application, along with any related attachments to ARPA@webercountyutah.gov by December 31, 2021.

| Policy Statement |
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| The County's intention is to spend its first tranche of ARPA funds on infrastructure and other bricks and mortar projects that would not otherwise receive funding through existing sources. It is not intended to provide support for existing services or other ongoing programs at this time. |

| Project Description | |
|---|---|
| Project Title: | Green Hills Water & Sewer District Maple Well Treatment Plant |
| Project Location: | Ogden Valley – Green Hills Country Estates neighborhood |
| Summary of Project: | |
| Engineering Study & Design with subsequent construction project to address quality of water issues from its Maple well, i.e. turbidity & gross alpha in exceedance of MCLs in addition to high levels of manganese and iron | |
| Please attach any additional documents, letters of support, etc. to this application. | |

| Project Categories (select up to two options) | | | |
|---|--------------------------|--|-------------------------------------|
| | Housing and Homelessness | | Economic Opportunities and Recovery |
| X | Water and Sewer | | Broadband |
| | Public Health Impact | | Other: |

| Project Impact |
|--|
| Please explain why you believe this project fits within the allowable uses of ARPA funds as described in the Treasury's Interim Final Rule? Please be specific when explaining your reasoning, including direct text citations and other references from Treasury guidelines that support the justification that this project is eligible. U.S. Treasury Interim Final Rule. |
| Section II D. Investments in Infrastructure item 1. Investments in water Infrastructure, such as the installation of a treatment system to comply with water quality regulations, play a critical role in protecting public health. |
| Will these ARPA funds be used for any ineligible uses as outlined by the U.S. Treasury, such as funding debt service, legal settlements or judgments, or deposits to rainy day funds or financial reserves? |
| NO |
| Is the project located in a qualified census tract? |
| 2022 Qualified Census tract #49057210100 |
| How will this project benefit those disproportionately affected by the COVID-19 pandemic and its negative impact on the economy? |
| Project does not qualify for funding under the COVID-19 pandemic sections, but under Investments in Infrastructure Section II D. An indirect benefit is this project may provide jobs to complete the engineering study , design and construction of a water treatment facility thereby assisting the economic recovery as a whole. |

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| What are the long-term benefits of this project? |
| Clean and safe water for users, extending the useful life of the water distribution system components by reducing sediments. |
| In what ways could this project be considered innovative? |
| Unknown at this time; may be an outcome of the engineering study. |
| How are you going to measure the intended benefits of this project? |
| With water quality testing results for turbidity, gross alpha and suspected contaminants of manganese and iron indicating compliance with EPA maximum contaminant levels (mcl) |
| Does this project require action based off of the National Environmental Policy Act? |
| No |
| Is the project on any local, regional or state plan? |
| This project has been recently approved for financial support from the State of Utah. However, the availability of State funds is dependent upon an approved design and specs for the treatment facility as well as various other activities/documents for obtaining a loan (e.g. Water conservation Plan, revenue bonding documents and various federally required items associated with using federal funds) prior to making funds available. Funds are requested to allow the District to proceed with these necessary aforementioned activities, until State funds are made available. |
| Can this project be accomplished using existing funding sources or private funding? If yes, what other sources are available? |
| NO |
| Please list any additional ARPA or other state or local fiscal recovery funds you are requesting. |
| See attached Loan Authorization and Procedures for Committal of Funds letter from Utah Drinking Water Board. |

| Project Timeline | |
|--|--|
| Anticipated start date: | April of 2023 |
| Anticipated end date: | December of 2023 when loan with the State Drinking Water Board closes the loan |
| Please summarize the project timeline, including key milestones and when expenditures will be completed. | |
| <p>April 2023 – Began flow rate and bench testing to support treatment system design</p> <p>June 2023 – Adopt bond parameters resolution</p> <p>July 2023 – Adopt water use rates</p> <p>December 2023 – Submit plans and specs for construction of treatment solution</p> <p>2023 – Submit capital Asset Mgt Plan for Review to DWB</p> | |
| | |

| Project Budget | |
|-------------------------------|-----------|
| Amount Requested from County: | \$226,500 |

| | |
|---|-----------|
| Total Project Costs: | \$226,500 |
| Provide a breakout summary of the project costs: | |
| Budget estimate \$195K for engineering; \$16K for Bonding ; \$8K for rate Studies; \$7K legal | |
| What are the other sources of funding for the project, including any matching funds? | |
| Should bond close earlier, funds from the State DWB may be made available | |
| If this project includes multiple local government entities, please describe each entity's matching amount. | |

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| No other local government entities involved. |
| How will this project be fiscally sustained after these one-time stimulus funds are exhausted? |
| Treatment solution will become part of the preventative maintenance program for District System Assets and will be fiscally sustained with increased water fees to properly operate and maintain the solution. |

Additional Questions – Answer the questions for each Project Category selected above

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| Housing and Homelessness |
| Is your project proximate to transit if located within a Metropolitan Planning Organization (MPO) boundary area? |
| Does your project serve individuals at 50% or below Area Median Income? (MDI) |
| Is your project's gross rent no greater than 30% of household income? |
| Does your project have a perpetual deed restriction to maintain affordability? |
| Does your project provide services to address homelessness such as supportive housing, or access to stable, affordable housing among unhoused individuals? |

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| Water and Sewer |
| How is this project eligible under the EPA's Clean Water or Drinking Water State Revolving funds? Please be specific, using direct citations from the CWSRF or DWSRF. |
| Clean Water State Revolving Fund: |
| X Drinking Water State Revolving fund: Source: Raw water intake |
| How does your project directly help to mitigate a public health issue? |
| Reduces levels of turbidity, gross alpha, iron & manganese to within acceptable EPA maximum contaminant levels for District's drinking water |
| How does your project support community resilience to water, drought, climate change, etc.? |
| No |
| Does your project provide a substantive water quality benefit? |
| See above |

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| Does your project preserve/ and or expand current water storage? |
| No |
| How does your project integrate land use and water planning? |
| No |
| Does your project address an existing or impending water supply need? |
| No |
| Will this project be completed in conjunction with a road project or any other infrastructure project? |

No

Broadband

How does your project serve unserved/underserved areas as defined in the Treasury's Interim Final Rule?

Is your project located within an economically distressed area?

Does your project target last-mile gaps in network connection?

Describe the role of the private sector or other providers in relation to this project.

How does your project plan to address digital equity?

What are the planned upload / download speeds of the proposed project?

Will there be other entities or businesses involved with this project?

Public Health Impact

How does your project aid in mitigating COVID-19 cases, hospitalizations, deaths, and/or increased vaccination rates?

How does your project address (a) physical or behavioral health issue(s) exacerbated by COVID-19?

Does your project address a COVID-19 need not funded elsewhere?

Does your project target populations at higher risk of being impacted by COVID-19?

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|---|
| Economic Opportunities and Recovery |
| What is the amount of time that your project will need to reach full impact? |
| |
| What is the longevity of the impact of your project? |
| |
| How does your project create economic stabilization? |
| |
| How does your project target areas of lowest recovery and highest impact? |
| |
| Does your project aid with workforce engagement and/or retention? |
| |
| How does your project align with existing state or local economic development projects or programs? |
| |



State of Utah

SPENCER J. COX
Governor

DEIDRE HENDERSON
Lieutenant Governor

Department of Environmental Quality

Kimberly D. Shelley
Executive Director

DIVISION OF DRINKING WATER
Tim Davis
Director

Drinking Water Board
Kristi Bell, Chair
Eric Franson, P.E., Vice-Chair
Dawn Ramsey
Justin Maughan
Robert Rolfs
Jeff Coombs
David O. Pitcher
Blake Tullis, Ph.D.
Kimberly D. Shelley
Tim Davis
Executive Secretary

June 01, 2023

Jean Brill, General Manager,
Green Hills Estates WSID
PO Box 453
Huntsville, Utah 84317

genmgrghwsd@gmail.com

Subject: **Federal SRF Loan Authorization and Procedures for Committal of Funds; Green Hills Estates Water and Sewer Improvement District, System #29053, Loan #3F1930**

Dear Jean Brill:

On May 16, 2023, the Drinking Water Board (hereinafter called the "Board") authorized a construction loan of \$2,047,000 with \$1,121,000 in principal forgiveness, and an advance from the principal forgiveness in the amount of \$270,000, for a repayable loan amount of \$926,000 to Green Hills Estates WSID (hereinafter called the "Recipient") to install a new pump house and associated piping, upgrade the SCADA system, and a multimedia filtration (hereinafter called the "Project"). The loan from the Board will be secured by General Obligation bond(s), Non-voted Water Revenue bond(s), or a combination thereof; issued by the Recipient as incremental disbursement bond(s) (hereinafter referred to as Bonds) disbursed on a monthly or quarterly basis. The Board has determined the retirement period for the Bonds to be no more than **thirty (30) years, with interest/fee assessment payable on the unpaid principal from the date of each advance of loan funds. The annual **Interest Rate/Fee is 1%**. The Board will require annual principal payments on the Bonds, plus interest assessments totaling approximately \$36,000. Enclosed is the proposed bond repayment schedule. If a revenue bond is used, a debt service reserve fund equal to this annual amount must be established by no more than ten equal annual deposits.**

Principal forgiveness will be applied to the loan. Net repayable amount will be deposited into the escrow account mentioned in item 2 along with other funds after completion and signing of the enclosed principal forgiveness agreement and completion of bonding requirements for the loan.

Special Conditions

This financial assistance was authorized subject to the availability of funds. The assistance represented by this authorization will be funded, in whole or in part, from the proceeds of a federal SRF Capitalization Grant (Section 1452 SDWA) to the State of Utah. Under the SRF Capitalization

Grant Program, federal funds are to be made available to the State by way of authorized draws on a letter of credit over the construction period of the Project. Therefore, this authorization is expressly subject to the continued availability of federal funds through the SRF Capitalization Grant and the letter of credit related thereto.

Neither the Board nor the State of Utah shall be bound by this authorization or by any obligation to provide further loan funds to or purchase any bonds from the Recipient if the SRF Capitalization Grant funds to which this authorization relates are not awarded or if payments under the letter of credit are withheld for any reason.

As a condition of this authorization, the Board will require the Recipient to provide a schedule of estimated engineering and construction time for the Project within ninety (90) days of the date of this letter. If the Project has not progressed sufficiently for the Recipient to issue the Bond within twelve months of the date of authorization, authorized funding may be withdrawn.

As a condition of this loan, the Board will require the Recipient to establish a capital facilities replacement reserve account. Deposits to that account shall be made at least annually in the amount of five percent (5%) of the Recipient's annual drinking water system budget, including depreciation, and must continue until the Bonds are redeemed. Failure to maintain the reserve account will constitute a technical default on the Bonds and may result in penalties being assessed.

The Bonds may be prepaid, in whole or in part, at any time in minimum amounts of \$1,000 or any integral multiple thereof, with the prepayments applied against the Bond principal in inverse order of maturities. In addition, if any Bond proceeds remain after the Project is completed, those remaining proceeds shall be used to redeem Bond principal in inverse order of maturities. The Bond documents must contain the following provisions:

- i] The Bonds will initially be in the form of a single, fully-registered bond in the amount of \$926,000 with provisions for incremental advances quarterly, based on a schedule that coincides with the rate at which engineering/construction related costs are expected to be incurred for the Project. However, provisions shall be made which would allow the Bonds to be exchanged for separate serial bonds in minimum denominations of \$1,000.
- ii] If revenue bonds are used the Bonds must be secured by a pledge by the Recipient of 100% of the net revenue produced by the Recipient's water system, and the Recipient will be required to warrant and demonstrate that those net revenues equal or exceed 125% of the total annual debt service requirements on the Bonds and any other obligations secured by a pledge of those revenues.
- iii] If interest is payable on the Bonds, that interest must be tax-exempt, and delivery of the Bonds must be accompanied by an opinion of recognized bond counsel that the interest is not subject to state or federal income taxes.

- iv] If a revenue bond is used, and if the Recipient has previously issued bonds or other obligations secured by a pledge of water system revenues, the Bonds to be purchased by the Board shall be issued on a parity with those prior bonds or obligations with respect to the revenue. If it is not possible for the Bonds to be issued on a parity basis, the Recipient shall contact Michael J. Grange immediately at (801) 536-4200.

Based on the information presented to the Board, the following sources of funding will be available for the construction of the Project:

| Agency | Share | % of Total |
|-------------------------------------|-------------|------------|
| DWB Loan (1%, 30 yr) | \$926,000 | 45% |
| DWB PF | \$621,000 | 30% |
| DWB emerging contaminants BIL grant | \$500,000 | 24% |
| Local Contribution | \$20,000 | 1% |
| Total Project Cost | \$2,067,000 | 100.0% |

As a condition to the purchase of the Bonds by the Board, **the Recipient must submit plans and specifications to the Division of Drinking Water for review and approval prior to advertising for bids**, must advertise for bids for the construction of the Project, must open the bids, and must demonstrate that the available sources of funding are adequate to cover the cost of the Project and the bond insurance costs. In addition, prior to bond closing the Recipient must make arrangements for all loan proceeds and all other Project funds to be available for deposit into the escrow account described below at the time the Board delivers funds unless other acceptable arrangements have been previously made.

The financial assistance is conditioned upon the availability of funds at the time of closing, satisfaction of the conditions specified in this letter, and adherence to the project schedule approved at that time. If the Project does not proceed according to the project schedule, the Board may withdraw project authorization, so that other projects ready to proceed can obtain necessary funding. The Board may consider extensions to the project schedule. Any extension requested must be fully justified. After the Project's construction bids have been opened and the below listed requirements have been met, and if the project remains substantially as approved, loan closing will proceed subject to funds available at that time. But, if substantial changes in the Project are required, they must be considered by the Board for committal of funds.

As the Recipient you will need to complete the following items before the Board will purchase your Bonds:

1. The State of Utah has appointed William L. Prater Esq. as special legal counsel to the Board (the "Board's Attorney") and has assigned to him the responsibility of reviewing all proceedings and documents relating to the sale of bonds to the Board. His address is 6925 Union Park Center, Suite 265, Midvale, Utah 84047; telephone number (801) 566-8882 or mail to P.O. Box 71368, Salt Lake City, Utah 84171. The Recipient's bond counsel shall submit the following items to his office at the times indicated below. A copy of the transmittal letter for the items indicated below must also be sent to the Division of Drinking Water to document project progress.
 - a. No later than one week prior to the meeting at which the Recipient intends to adopt its Resolution for the issuance of the Bonds, a complete copy of the Resolution shall be submitted for review.
 - b. No later than two weeks after the adoption of the Resolution, the following items shall be submitted:
 - 1) A true and complete photocopy of the Resolution as adopted, showing signatures of the appropriate officials of the Recipient on the Resolution and on the Notice of Meeting, Acknowledgment of Notice and Consent, Certificate of Publication, Open Meeting Certificate, and other similar documents relating to the Resolution.
 - 2) A true and complete photocopy of the minutes, notices, resolutions, and other documents relating to the Bonds, showing signatures of the appropriate officials.
 - 3) A complete copy of the proposed documents to be signed at Closing, including (but not necessarily limited to) General Certificate, Signature Identification and Non-Litigation Certificate, Receipt, Arbitrage Certificate (if required), Recipient Attorney's Non-Litigation Certificate, Certificate of Clerk (or Recorder) as to contents of Bond Transcript File, Escrow Agreement, and the Bond Attorney's Opinion.
 - 4) A copy of the water rate structure described in paragraph 3 below of this letter.
 - 5) A copy of the proposed opinion letter of the Recipient's attorney described in paragraph 7 of this letter.

The procedures for bond approval will be substantially the same as required by the Utah Local Government Bonding Act as it applies to cities and towns. The opinion of the bond attorney must accompany delivery of the Bonds to the Board before proceeds of the loan will be released.

At or after the Closing, the Board's Attorney will bill the Recipient, and the Recipient must pay those legal fees. This is an eligible project expenditure. If the Recipient fails to close the loan after this authorization, it will nonetheless be billed for the actions taken by the Board's Attorney prior to loan cancellation.

2. Consistent with requirements of the law and the covenants of applicable bond resolutions, the actual payment of funds by the Board to the Recipient will not take place until the Board has assurance the funds will be used for Project costs and the Project will actually be completed. To assure this, all monies to be expended on the Project, including the Recipient's share shall be placed in an escrow account supervised by the Recipient and the Board, unless other acceptable arrangements have been made. In general, the Board will make incremental advances into the account on a monthly or quarterly basis. A copy of the proposed escrow agreement shall be submitted to the Board and the Board's Attorney for review.

Disbursements from the escrow account will be reviewed and approved by the Division of Drinking Water. A Disbursement Request Form must be completed and submitted along with each request. **Disbursement amounts must be authorized in writing by the Recipient and the State prior to any funds being released from the escrow account.**

3. At the time of the adoption of the bond resolution, the Recipient shall have passed an ordinance or resolution establishing reasonable water use rates and collection enforcement remedies, taking into account many factors including the need to have sufficient revenue income for all outstanding water system debts, operation and maintenance costs, and any reserve funds. It will then be necessary to implement effective collection procedures. A copy of the rate ordinance and collection enforcement procedures shall be submitted to the Board and the Board's Attorney for review.
4. The Recipient's contract with its engineer shall include the cost of developing the plans and specifications and the construction inspection of the Project. The contract shall be submitted to the Division of Drinking Water for review. (This requirement is to assure the Board that adequate and appropriate arrangements are made for completing and inspecting the project within the guidelines set by the Board.)
5. The project engineer shall submit, *in accordance with R309-500*, plans and specifications, bidding documents, and general conditions to the Division of Drinking Water for review *and Plan Approval* prior to soliciting bids on the Project. The engineer shall submit project documents via ddwpnf@utah.gov per <https://deq.utah.gov/drinking-water/general-plan-approval-process> for the expeditious assignment and review of the plans and specifications. Any changes to approved plans and specifications prior to finalizing the Recipient Agreement must be reviewed and approved by the Division of Drinking Water. These funds cannot be disbursed until after the bid opening *has occurred and a copy of the bid tabulation has been reviewed by the Division* to assure that sufficient funds are authorized to complete the Project. If substantial changes in the Project are required, they must be considered by the Board for committal of additional funds. The following shall be included in the specifications:
 - a. The Recipient shall require contractors hired to perform work on their project to pay prevailing wage rates according to Davis-Bacon labor wage requirements. See attached Reference Page for document location.

- b. The Recipient shall comply with either the American Iron and Steel provision or the Build America Buy America Act requirements. See attached Reference Page for document location.
6. Rights-of-way and easements for construction, and operation and maintenance of the Project shall be acquired. The Recipient, through its engineer, shall furnish its attorney a right-of-way map showing the location of all sources, buildings, structures, pipelines, and other pertinent facilities not only in the Project but also for the entire water system. The engineer and presiding officer of the Recipient will sign this map and a copy provided to the Recipient's attorney as a basis for the certification described below.
7. The Recipient's attorney shall certify the following items in writing to the Board:
 - a. The Recipient is a legal entity as of the date of loan closing.
 - b. The Recipient has valid legal title to the rights-of-way designated and shown on the rights-of-way map, including rights-of-way both for the project to be constructed and the remainder of the existing water system as of the date of loan closing.
 - c. The Recipient has established the ownership of water rights to any and all water used in the system and such rights are summarized with associated water right numbers.
 - d. The bidding process and contract documents for the construction of the Project have the proper and legal format and are in compliance with the Utah Code Annotated 1953 (including, but not limited to Title 34, Chapter 30).
 - e. After the completed and executed construction contract, along with the performance and payment bonds and evidence of necessary insurance, has been reviewed by the Recipient's attorney, the Recipient's attorney shall furnish to the Board his legal opinion that all of such items are legal and binding and in compliance with the Utah Code.

As indicated earlier, a draft of this letter is to be submitted to the Board and the Board's Attorney two weeks after the adoption of the resolution.

8. If interest is payable on the Bonds, the Bonds must be accompanied by a legal opinion of recognized municipal bond counsel that interest on the bond obligations is exempt from federal income taxation.

Unless otherwise covered, the opinion must also include a statement that the project to be constructed with the Bond proceeds is not for private activity and that the Recipient has complied with all the requirements of the Board with respect to the Utah Federal State Revolving Fund (SRF) Program (R309-705 of the Utah Administrative Code).

9. The Recipient must obtain and maintain continuously throughout the loan repayment period, a fidelity bond on the positions handling the Recipient's funds, in an amount at least equal to the total amount of funds that will be on hand at any one time, exclusive of loan funds. This amount should be at least twice an annual payment or \$72,000. This fidelity bond must be obtained and furnished to the Board prior to the loan closing date. The names of the insured on the position fidelity bond will be "Green Hills Estates Water and Sewer District and the State of Utah acting through the Drinking Water Board."
10. As a condition to the acceptance by the Board of a non-voted revenue bond, the issuer must:
 - a. Publish notice and conduct a public hearing consistent with the requirements of the Utah Local Government Bonding Act, and
 - b. Mail notices to System users in the Issuer's service area informing them of that public hearing. In addition to the time and location of the public hearing, the notices which are mailed to System users shall inform System users of the issuer's intent to issue a non-voted revenue bond to the Board, shall describe the face amount of the Bond, the rate of interest, the repayment schedule and shall describe the impact of the Project. User charge rates and connection fees shall be noted in that notice. That notice shall state that System users may respond to the Issuer in writing or in the public hearing. A copy of all written responses and a certified record of a public hearing shall be forwarded to the Board. If the Board feels that there is significant opposition to the proposed project, or if required by the Utah Local Government Bonding Act, it may be necessary for the Issuer to hold a bond election before the Board's funds will be made available.
11. As a condition of this loan, the Board will require the Recipient to complete a Water Conservation Plan. If your system has less than 500 connections, the plan must be submitted to the Division of Drinking Water prior to loan closing. If your system has more than 500 connections, the plan must be submitted to the Division of Water Resources for review and approval, and the approved plan must be adopted (completing the *Certification of Adoption*) prior to loan closing. If the Recipient has already adopted such a plan, that plan and its certification of adoption may be submitted to the Division of Drinking Water for verification.
12. There are Federal laws, executive orders and government-wide policies that apply to projects receiving Federal financial assistance. These "cross-cutting Federal authorities" include the following:

Environmental Authorities:

- Archaeological and Historic Preservation Act of 1974, Pub. L. 86-523, as amended
- Clean Air Act, Pub. L. 84-159, as amended
- Endangered Species Act, Pub. L. 93-205, as amended

- Environmental Justice, Executive Order 12898
- Flood Plain Management, Executive Order 11988 as amended by Executive Order 12148
- Protection of Wetlands, Executive Order 11990
- Farmland Protection Policy Act, Pub. L. 97-98
- Fish and Wildlife Coordination Act, Pub. L. 85-624, as amended
- National Historic Preservation Act of 1966, Pub. L. 89-665, as amended
- Safe Drinking Water Act, Pub. L. 93-523, as amended
- Wild and Scenic Rivers Act, Pub. L. 90-542, as amended

Economic and Miscellaneous Authorities:

- Demonstration Cities and Metropolitan Development Act of 1966, Pub. L. 89-754, as amended, Executive Order 12372
- Procurement Prohibitions under Section 306 of the Clean Air Act and Section 508 of the Clean Water Act, including Executive Order 11738, Administration of the Clean Air Act and the Federal Water Pollution Control Act with Respect to Federal Contracts, Grant, or Loans
- Uniform Relocation and Real Property Acquisition Policies Act, Pub. L. 91-646, as amended
- Debarment and Suspension, Executive Order 12549

Social Policy Authorities:

- Age Discrimination Act of 1975, Pub. L. 94-135
- Title VI of the Civil Rights Act of 1964, Pub. L. 88-352
- Section 13 of the Federal Water Pollution Control Act Amendments of 1972, Pub. L. 92-500 (the Clean Water Act)
- Section 504 of the Rehabilitation Act of 1973, Pub. L. 93-112 (including Executive Orders 11914 and 11250)
- Equal Employment Opportunity, Executive Order 11246
- Women's and Minority Business Enterprise, Executive Orders 11625, 12138, and 12432
- Section 129, of the Small Business Administration Reauthorization and Amendment Act of 1988, Pub. L.100-590

13. In compliance with Utah Code Annotated 9-8-404 and 36 CFR 800.3(g), the project engineer shall submit a report to the Division of Drinking Water that demonstrates a reasonable and good faith effort was made to identify and gather information to determine if cultural resources are present in the area of potential effects, including a Class III Survey. The report format shall meet SHPO State of Utah Archaeological Compliance Guidance. Cultural resource reporting guidance is outlined in the Utah SHPO Short Cultural Resources Inventory Report Form. See attached Reference page for document location.

14. The Recipient must agree to comply with the above Federal laws, executive orders, and government-wide policies that apply to the Project and complete the following:

- a. Ensure, to the fullest extent possible, that Disadvantaged Business Enterprise procurement requirements are achieved in all procurements for prime contractors, subcontractors, suppliers, and others. For your information, refer to these forms for DBE utilization: DBE Contact Log for Bidders, Subcontractor Participation, Performance, and Utilization forms, Suggested Sources for Locating Certified MBE/WBE Contractors in Utah. See attached Reference page for document locations.

Ensure that the “six affirmative steps” are taken to assure compliance with the State’s “fair share goals” in all procurements. The Division will specify the required language, documents, and instructions.

(1) Bid solicitations shall state that this is a federally funded project requiring compliance with the State’s “fair share goals” and federal EEO regulations. See attached Reference Page for document location.

(2) The “Special Conditions” or “Supplemental Conditions” in the bid documents shall contain the language and instructions specifying the MBE and WBE procurement requirements, provided by the Division.

(3) The same bid documents shall also contain the federal EEO requirements.

- b. Report MBE/WBE utilization for construction services on “EPA Form 5700-52A.” See attached Reference Page for document location. This is a requirement for projects that exceed the Simplified Acquisition Threshold set by the Office of Management and Budget. Annual reports are due by October 30th of each year.

- c. Include the following certification in the bond resolution:

"The Issuer agrees, in accepting the proceeds of the Series ____ Bonds, to comply with all applicable state and federal regulations related to the Utah State Revolving Fund administered by the Drinking Water Board. These requirements include, but are not limited to, Title XIV of the Safe Drinking Water Act of 1996, OMB Circular A-133, the Utah Federal State Revolving Fund (SRF) Program (R309-705 of the Utah Administrative Code), the Utah Municipal Bond Act, the Utah Money Management Act, the Utah Procurement Code and the State of Utah Legal Compliance Audit Guide."

15. The Recipient shall submit a cash drawdown schedule prepared and certified by their consulting engineer to be a schedule that coincides with the rate at which expected construction related costs are incurred by the project.

16. The Recipient is required to submit a Plan of Operation and Operation and Maintenance Manual according to the following:
 - a. A Plan of Operation, which includes a schedule summarizing appropriate times for essential actions to be taken for operation of the facility, must be submitted to the committee in draft at initiation of construction and approved in final form prior to 50% of construction completion. As a minimum, the plan of operation must include provisions for an Operation and Maintenance manual, Emergency Operating and Response Plan, properly trained management, adequate number and training of operation and maintenance personnel, budget plan for operation and maintenance, operational reports, and start-up procedures.
 - b. An Operation and Maintenance (O&M) manual which provides long-term guidance for efficient facility operation and maintenance must be submitted and approved in draft and final form prior to 50% and 90% of completion.
17. The Recipient must get a Unique Entity ID from SAM.gov. Once the entity record has been validated, submit a copy of the Unique Entity ID to the Division of Drinking Water.
18. The Recipient shall comply with the Single Audit Act requirements in accordance with OMB Circular A-133.
19. The Recipient is required to comply with the Federal Project Signage Requirements. See attached Reference Page for document location.
20. In compliance with Utah Code Annotated 73-10g-402, water systems applying for federal financial assistance for improvements to capital assets related to water infrastructure shall commit to adopt a capital asset management plan. The Asset Management Plan shall be submitted to the Division for review and approval prior to loan closing, unless preparing an Asset Management Plan is included as part of the project for which the Recipient has applied for financial assistance. In which case, the Asset Management Plan shall be submitted to the Division as soon as it is completed or prior to the entity submitting its final project reimbursement request.

To facilitate the timely completion of the financial assistance requirements outlined in this letter, the Recipient and its attorney and engineer shall submit to the Division of Drinking Water all of the items required before loan closing no later than 30 days before the bond closing, and the Recipient's bond attorney shall submit to the Board's Attorney the items listed in subsection "b" of paragraph 1 on or before the due date specified.

These requirements must be completed on or before May 16, 2024. If the Recipient fails to reasonably comply with the Project schedule, the Authorization may be withdrawn in accordance with R309-705-7.

Jean Brill, Green Hills
June 01, 2023
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These requirements may not cover all the matters pertaining to the Project. We anticipate that specific questions on matters relating to your Project will arise, and we are confident that a cooperative effort can resolve any issues.

If you have any questions concerning these requirements, please contact Heather Pattee at (385) 515-1498 or me at (801) 674-2563.

Sincerely,

DRINKING WATER BOARD



Michael J. Grange, P.E.
Assistant Executive Secretary

MJG/hp/lr

Enclosures

1. Reference Page
2. Green Hills Estates WSID Loan Repayment Schedule
3. Green Hills Advance Principal Forgiveness Agreement

cc: William Prater, Esq., William L. Prater, LLC, PO Box 71368, SLC, UT 84171, bill@billprater.com
Ryan Taylor, T-O Engineers/Ardurra, rtaylor@ardurra.co,
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Cameron Draney, Division of Drinking Water, cdraney@utah.gov
Hunter Payne, Division of Drinking Water, hnpayne@utah.gov
DDW Finance

Reference Page

- *Davis-Bacon labor wage requirements - <https://documents.deq.utah.gov/drinking-water/financial-assistance/Federal%20SRF/DDW-2022-000538.pdf>.
- *American Iron and Steel Provision - <https://documents.deq.utah.gov/drinking-water/financial-assistance/Federal%20SRF/DDW-2022-000536.pdf>
- *Build America Buy America Act - <https://documents.deq.utah.gov/drinking-water/financial-assistance/Federal%20SRF/DDW-2022-004136.pdf>
- *Utah SHPO Short Cultural Resources Inventory Report form - <https://documents.deq.utah.gov/drinking-water/financial-assistance/Federal%20SRF/DDW-2020-038201.pdf#page=53>
- *Disadvantaged Business Enterprise procurement requirements - <https://documents.deq.utah.gov/drinking-water/financial-assistance/Federal%20SRF/DDW-2022-000522.pdf>
- *DBE Contact Log for Bidders - <https://documents.deq.utah.gov/drinking-water/financial-assistance/Federal%20SRF/DDW-2022-000526.pdf>
- *Subcontractor Participation, Performance, and Utilization forms - <https://documents.deq.utah.gov/drinking-water/financial-assistance/Federal%20SRF/DDW-2022-000526.pdf>
- *Suggested Sources for Locating Certified MBE/WBE Contractors in Utah - <https://documents.deq.utah.gov/drinking-water/financial-assistance/Federal%20SRF/DDW-2022-000532.pdf>
- *Federal EEO regulations - <https://documents.deq.utah.gov/drinking-water/financial-assistance/Federal%20SRF/DDW-2022-000530.pdf>
- *" EPA Form 5700-52A" - <https://documents.deq.utah.gov/drinking-water/financial-assistance/Federal%20SRF/DDW-2022-000524.pdf>
- *Federal Project Signage Requirements - <https://documents.deq.utah.gov/drinking-water/financial-assistance/Federal%20SRF/DDW-2022-000520.pdf>