

HB269: CAPITAL ASSETS RELATED TO WATER

Supporting the long-term viability and fiscal management of Utah's drinking water and wastewater systems.



While most municipalities fund ongoing operations and maintenance of their drinking water and wastewater utilities through fees-for-service, capital infrastructure renewal and replacement is commonly underfunded. Major capital asset improvement projects are then deferred, resulting in more frequent system failures and emergencies, creating the need for increased revenue through sudden large rate increases rather than incremental ones.



Through an asset management program, water systems can move from crisis management to informed decision making and improve financial management to make the best use of limited resources. Funding is available through the Drinking Water Board and Water Quality Board to support systems in establishing capital asset management programs.

CAPITAL ASSET MANAGEMENT BENEFITS WATER AND WASTEWATER SYSTEMS AND THEIR CUSTOMERS

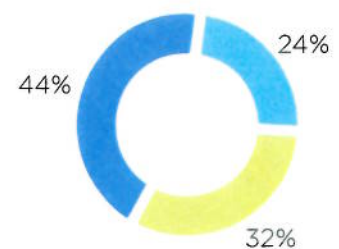
Asset management systems benefit water systems and their customers by:

- Providing the tools and guidance needed to identify assets and asset condition, forecast maintenance and replacement needs, and establish and fund replacement accounts.
- Minimizing the total cost of owning and operating a system while delivering an appropriate level of service that is reliable and sustainable.
- Eliminating catastrophic failures and extending the useful life of a system.
- Establishing asset accounting practices that support and defend ongoing investments in these critical public assets.

Wastewater service providers that use an asset management system*

*2021 Municipal Wastewater Planning Program Annual Survey

YES 95
 NO 53
 NO RESPONSE 70



\$1.2 billion

State and federal funds invested in Utah's wastewater infrastructure since 1983

\$3.5 billion

Current estimated funding need for drinking water and wastewater infrastructure

\$530 million

Estimated federal funds (ARPA and BIL) that will be invested in Utah's water & wastewater infrastructure between 2021 and 2026

