

Understanding Changes to State Water Infrastructure Project Funding Processes



Water Development Coordinating Council



The Unified Water Infrastructure Plan (UWIP) is a prioritized list of water infrastructure projects that potentially need state financial assistance.

Water Infrastructure Funding Challenges

Growing Funding Gap. As Utah's population continues to grow and much of its water infrastructure nears the end of its useful life, the need for reinvestment is increasing. For the past century, the federal government has played a major role in financing Utah water projects, funding roughly one-third of municipal and industrial water infrastructure. Recent federal budget cuts have shifted more responsibility to state and local governments.

Long-term statewide water infrastructure needs are estimated at approximately \$80 billion. Of this, additional needs for near-term state funding are expected to exceed \$100 million per year.

Lack of Statewide Coordination. Historically, there has been no single, comprehensive way to compare water infrastructure needs across agencies, regions, and project types. As a result, funding decisions can be influenced by which agency has available resources rather than which projects address the most critical needs. This makes it difficult to ensure state funds are directed to the highest priority projects.

Funding Requests to the Legislators. Legislators receive many requests for direct appropriations for water projects, often without a common framework to evaluate relative need or urgency. While legislators work to be responsible stewards of public funds, assessing water infrastructure projects requires specialized technical and planning expertise.

A Coordinated Legislative Solution

HB 280 (2024) and HB 285 (2025) direct relevant agencies (Divisions of Drinking Water, Water Quality, and Water Resources) and the Water Development Coordinating Council (WDCC) to establish a coordinated process for identifying and ranking water infrastructure projects essential to Utah's long-term water reliability. **This approach helps ensure that limited state funds are directed to the most critical needs and that funding decisions are based on consistent, objective information rather than isolated requests.**

The UWIP supports this by:

- Promoting long-term water infrastructure planning
- Establishing a single, coordinated, and prioritized list of projects
- Improving transparency and inter-agency coordination through a centralized process
- Aligning state funding assistance with the state water plan



UWIP | water.utah.gov/uwip-projects
Additional information, overview, and details
about the UWIP processes



Utah Project Portal | upp.utah.gov
Live, public list, and pre-application step for
both grants and loans

UWIP Process

Starting July 1, 2026 (FY 2027), all water infrastructure projects must be listed in the new Utah Project Portal (portal) to receive consideration for funding. Entities should no longer seek direct grant appropriations from the legislature. Entities seeking loans should enter their projects into the portal and follow the existing application process for each agency.



Project Prioritization

The relevant agencies will each develop annual plans that prioritize and rank projects listed in the portal. Ranking based on the following legislatively mandated criteria provide a consistent basis for comparing projects across agencies and regions:

- Hardship
- Critical issues
- Water conservation/efficiency
- Sound design
- Applicant priority
- Size of the applicant
- Non-state funding available

Project Submission (Utah Project Portal)

The new process will require submitting project information to the portal as a pre-application step to qualify for most state funds. The portal is a comprehensive platform that enables communities across Utah to list, prioritize, and monitor public projects, ensuring transparency and effective planning. Designed for both public access and inter-agency collaboration, the portal provides real-time updates on project timelines, budgets, and priorities. Entities can establish accounts, add new projects, and confirm or edit existing projects.

Project Eligibility

The applying entity must be the direct project sponsor, not the project engineer or support team. Small or emergency projects do not need to follow this process. Funds may also be used to develop planning documents such as reserve studies and capital asset management plans.

Eligible Entities include (but are not limited to):

- Towns
- Cities
- Counties
- Water conservancy districts
- Irrigation companies
- Improvement districts

Eligible Project Types:

- Drinking water
- Wastewater
- Stormwater and flood control
- Water reuse
- Secondary water
- Off-farm agricultural
- Raw water source development
- Watershed protection
- Planning studies



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