

## FY26 Canal - Irrigation Company Funding Criteria Sheet

- The Agricultural Water Optimization Program is only available to agricultural irrigation water users with a valid water share or water right. This program is not for residential secondary irrigation systems or livestock watering systems.
- Projects must be located in Utah.
- All applicants must have a completed water loss (seepage) study prior to submitting an application for water optimization funding. If a study has not been completed water optimization can pay 50% of the cost of having a study completed. The water loss study must include all of the following:
  - Completed or reviewed and signed by a licensed engineer
  - A map of the canal/irrigation system
  - A statement on current water seepage losses and expected savings
  - A water measurement plan
- All applicants must engage in a pre-consultation with the Utah Division of Water Rights.
- All projects will be ranked based on criteria approved by the Agricultural Water Optimization Committee and funding recommendations will be approved by the Utah Conservation Commission.
- All materials purchased for the Water Optimization Project must be new.
- Fodder systems, hydroponic systems, any well drilling, or routine irrigation system maintenance (as determined by the Agricultural Water Optimization Committee) are not eligible practices for the program.
- Ponds are required to meet all local, state & federal safety regulations.
- It is the responsibility of the grantee to obtain all required permits, permissions and approvals associated with construction of the agricultural water optimization project. If all permits, permissions and approvals are not obtained UDAF may cancel the grant and require funds to be paid back.
- Every project requires a real-time measurement device to be installed. Real-time means water measurement readings must be taken at a specified interval (hourly, daily) and the data from the meter must be downloadable. The measurement device must also be maintained for a minimum of 3 years.
- Annual reports must be submitted for a minimum of 3 years following project completion and use of the new system for a full irrigation season. If 3 years of annual reporting is not submitted, UDAF may request funding to be paid back.
- On-site inspections will be required for each project payment request. Inspections will be conducted by a UDAF planner. Upon project completion, a final inspection and certification form must be filled out by both the UDAF planner and the grantee.
- All projects are subject to the State Historical Preservation Office (SHPO) review. Projects that commence in any earth moving activity prior to proper SHPO clearance, and a notice to proceed issued by UDAF, will automatically forfeit all funding.
- A minimum of 10% of the total project cost is required out of pocket for all projects.
- \$1,000,000 is the maximum request amount per entity per funding cycle for canal/irrigation company projects.
- 50% of the total funding awarded will be withheld until the project has been fully completed, including the installation of a real-time measurement device.
- Grant funds are distributed via reimbursement. Project spending must be tracked, and invoices must be submitted for all payment requests. Eligible invoices will be paid at 50% of the total. All payment requests must be made through a UDAF planner.

- Grant funds are ineligible for the reimbursement of labor costs (time) incurred by the grantee or its officers. Nevertheless, these labor costs are permissible for inclusion toward the required in-kind match for the project.
- Payments cannot be requested more frequently than once per month.
- Grantee can submit a maximum of no more than 4 payment request for the project life
- If land where the project is located is sold during project installation or annual reporting years, all or part of grant dollars will be requested to be paid back if the project cannot be transferred to the new owner and/or is no longer usable.
- Any modifications to the proposed project must be submitted in writing to Water Optimization staff to be reviewed for approval prior to the change being made.
- Applications cannot be combined for different project types. Each project type should submit an individual application.
- Consult a certified public accountant for all tax related questions. UDAF will send out a 1099-SE annually if applicable.
- All partner funding must be reported before final payment.
- All projects must submit two bids. Grant awards will be based on the lower bid at the discretion of the Water Optimization Committee.
- UDAF may perform a technical review of any application.

I certify that I have reviewed and understand the criteria sheet as it applies to my agricultural water optimization project.

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Signature

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Printed Name

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Date