



DRINKING WATER
STATE REVOLVING FUND (DWSRF)
Office of Drinking Water

DWSRF Funding Brief Overview

2023

Jocelyne Gray

DWSRF Environmental Engineer

564-669-4893

Jocelyne.Gray@doh.wa.gov

DWSRF Program

Learning Expectations

- Please ask questions during the presentation
- There will be future trainings that cover funding in more detail and funding cycle specifics.
 - Lead Service Line Cycle – March and April
 - Consolidation Cycle – May and June
 - Construction Cycle – October and November
 - Various conferences including IACC in October
- Current information about our program is located at www.doh.wa.gov/DWSRF - we regularly update the webpage.

Agenda

- Organization
- Background
- Funding Available
- Disadvantaged Communities
- How to be Eligible for Funding
- Funding Cycles

DWSRF Organization

Mike Means
Capacity Development & Policy Manager

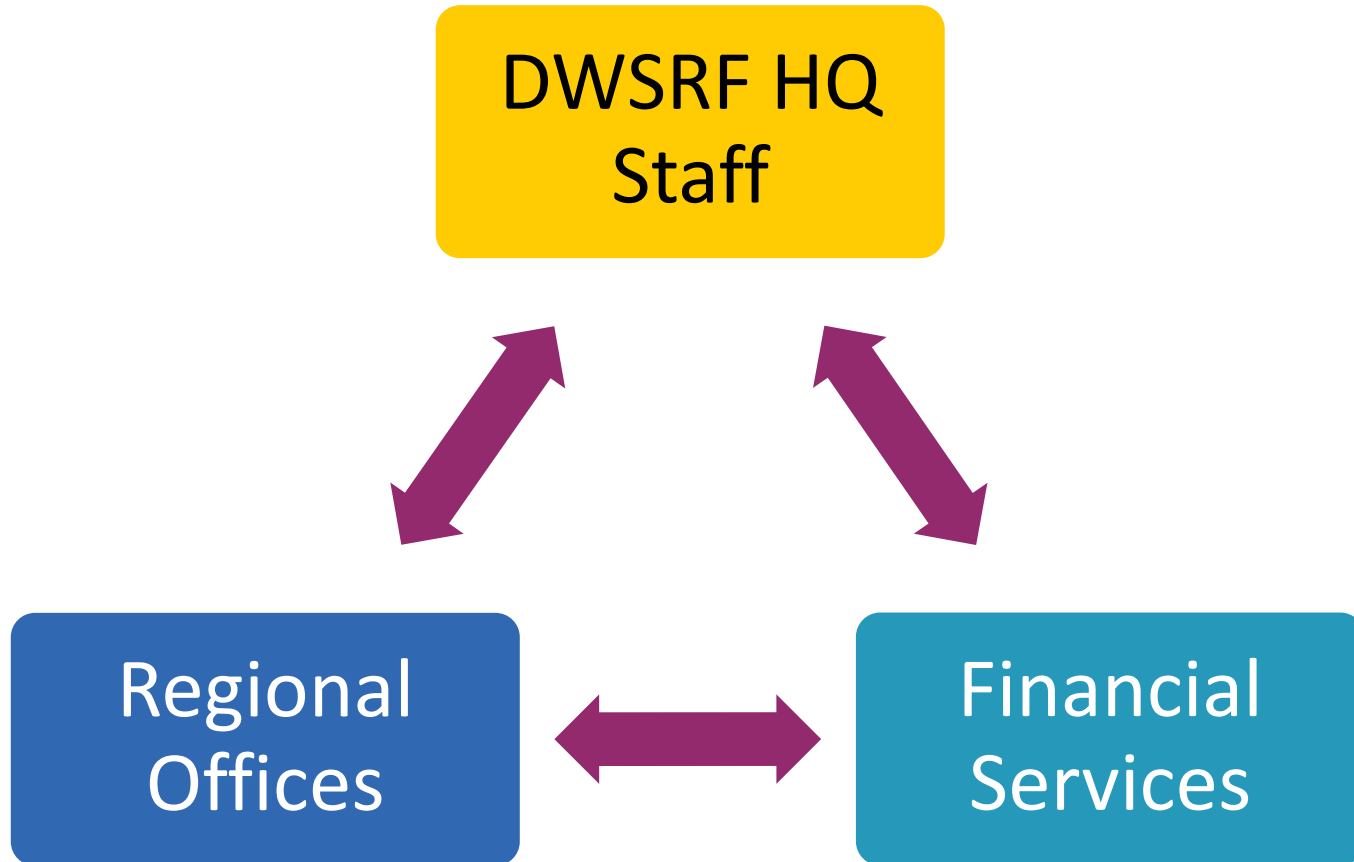
Program Manager
Vacant

Jocelyne Gray
*Environmental
Engineer*

Sara Herrera
*Program
Assistant*

Scott Kugel
*Cultural and
Environmental Program
Specialist*

Drinking Water State Revolving Fund Team



DWSRF Story Map

● <https://storymaps.arcgis.com/stories/006c62fdd13b44248934c8474c4d2a54>



Improving Washington's Drinking Water, One Loan At A Time



City of Bellingham (Whatcom County)

City of Bellingham gets its drinking water from Lake Whatcom, which has consistently high algae bloom and suspended organic matter in the water...



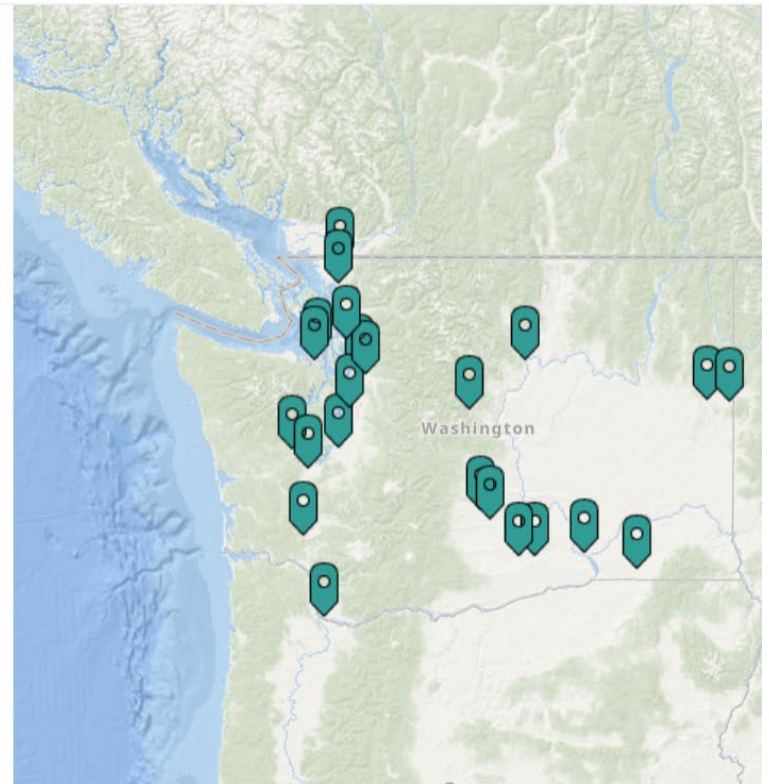
Clark Public Utilities (Clark County)

Clark Public Utilities worked on a multi-phase Paradise Point Water Supply System project. They received funding for the design and...

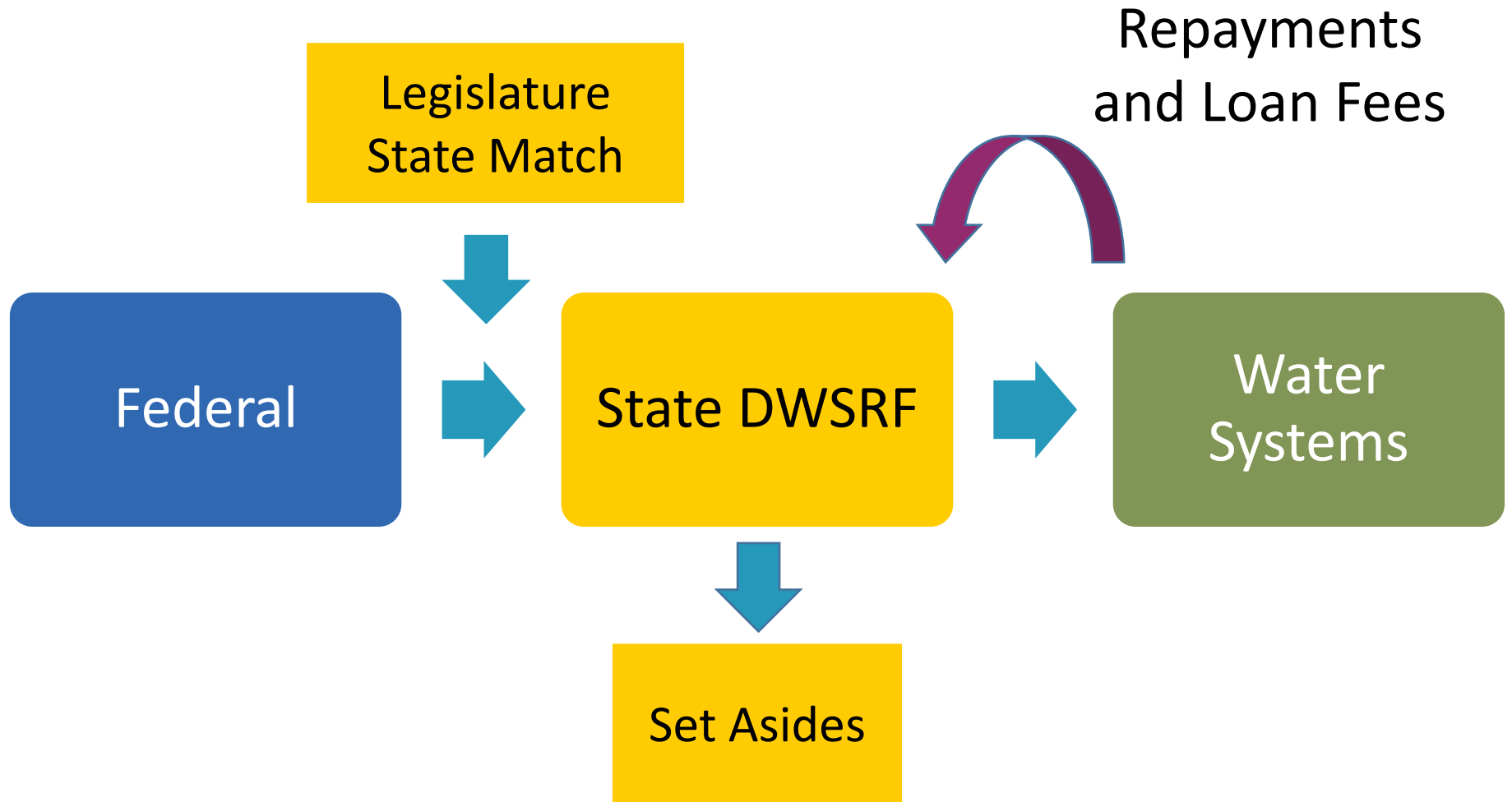


City of College Place—Christ Community Fellowship Co...

Christ Community Fellowship serves the College Place community as both a school and place of worship. Nitrate levels in the well were almost twice...



Flow of Funds



Available Funding

**LOTS OF MONEY
AVAILABLE!!!**

**PLANNING AND
ENGINEERING LOANS**

LEAD SERVICE LINE LOANS

**CONSOLIDATION FEASIBILITY
STUDY GRANTS**

CONSTRUCTION LOANS

**EMERGING CONTAMINANTS FOR
SMALL AND DISADVANTAGED
COMMUNITIES GRANTS**

BIL Requirements

Build America Buy America
(BABA)

American Iron and Steel (AIS)

Davis Bacon Act
(Prevailing Wage)

DWSRF Rules Apply

Disadvantaged
Community (DAC)

How To Be Eligible for Construction Loan

- Approved and Current Planning Document – contact your Regional Planner
 - Project in the application must be identified in the planning document – contact your Regional Planner
- Water Right permit or certificate for the area to be served – contact Regional Ecology office. Water rights required for:
 - Source projects
 - Consolidations and Interties
 - Infill projects increasing capacity within the service area

How To Be Eligible for Construction Loan

- Dedicated water fund to pay back the loan – separate rates and assessments from other funding
- Have control of the property – obtain ownership, lease, or easement for life of the infrastructure
- Have an audit within 12 months of the application and no findings
- Governing body must approve the application – submit signed minutes from the meeting

How to Be Successful

- SEPA/NEPA – contact Scott Kugel
- Cultural and Historical Review – contact Scott Kugel
- Project reports and construction documents **MUST** be reviewed and approved by ODW, even water main replacement and lead service line replacement projects!
- Cash flow must be **POSITIVE** and show you can pay off the loan.

Funding Cycles

- Planning and Engineering Loan (*NEW NAME*) – open year round
 - 500,000 dollars per project – for planning documents and engineering design
 - Previously known as Preconstruction Loan
- Consolidation Feasibility Study Grant – June 1 to 30
 - 50,000 dollars per study, can include planning document development
- Construction Loan – October 1 to November 30
 - 15 million dollars maximum per project, some principal forgiveness
 - Includes Emerging Contaminants with 100% principal forgiveness (*NEW FUNDING POT*)

Planning and Engineering Loan

\$500,000 Max
Award Per
Jurisdiction

Year Round

2%
Service
Fee

Complete in
2 Years

0%
Interest

10 Year
Loan
Term

\$3 Million Total
Every July

From Loan
Repayments

Planning and Engineering Loan

● Eligible Projects:

- Water System Plan or Small Water System Management Program
- Project Reports
- Construction Drawings
- Pilot Studies
- Well Siting
- Alternatives Analysis
- Value Planning

Planning and Engineering Loan

CALL YOUR REGIONAL PLANNER!

Eastern

Jamie
Clark

Brenda
Smits

Northwest

Jennifer
Kropack

Richard
Rodriguez

Southwest

Fern
Schultz

Deborah
Johnson

Construction Loan

\$15M Max
Award

OCTOBER &
NOVEMBER

2.25%
Interest

2%
Service
Fee

Notice to Proceed
in 18 Months

Complete in 4
Years

20 Year
Loan
Term

Some
Subsidies

Construction Loan

● Eligible Applicants:

- Group A community systems.
- Group A nonprofit noncommunity systems.
- Group B systems converting to Group A due to a consolidation project.
- Tribal systems not receiving SRF tribal set asides.

● Ineligible Applicants:

- Group B systems **not** converting to Group A.
- Group A noncommunity, for-profit systems.
- Federal and state-owned systems.

Construction Loan

- Water main relocation or replacement that coincides with another infrastructure project.
- Consolidation projects – must change ownership!
- Emerging Contaminants – all principal forgiveness
 - 25 percent to DAC or small communities serving less than 25,000 people
 - Prioritize PFAS
 - Other potential contaminants – manganese, cyanotoxins, *Legionella pneumophila*

Identified as Ineligible

Fees Owed to
DOH

NO
Planning
Document

Lack Site
Control

Audit Finding

Project NOT
in Planning
Document

Lack of
Water Rights

No Audit

No Dedicated
Fund for
Loan Payback

Construction Loan

Eligible Projects:

- Projects that address a public health risk.
- Projects that upgrade deteriorated facilities.

Ineligible Projects:

- Operations and maintenance.
- Future growth or fire flow.
- No construction component.
- Service meters only.



Consolidation Feasibility Study Grant

\$50,000 Max
Award per
Project

JUNE

Feasibility Study
Planning Document
Engineering Design

Complete in
2 Years

Grant!

Paid by Loan
Service Fees

No
Ground-
breaking
Activities!

Consolidation Feasibility Study Grant

- Funding for an established Group A community water system to consolidate a Group A, Group B, or properties served by private wells.
- Applicant must own a Group A system for at least 5 years and be in good standing with ODW.



Take Aways

- Record breaking dollars available for next four years.
- If you're not ready this year, work with the regional office to get ready for next year.
- Use the Planning and Engineering Loan to get ready for construction.
- Want to talk about a project, contact your Regional Planner.

Contacts

Scope of Work and Funding Cycles

Jocelyne.Gray@doh.wa.gov or (564) 669-4893

WALT Application and General Questions

Sara Herrera at DWSRF@doh.wa.gov or (360) 236-236-3089

Cultural and Environmental Review

Scott.Kugel@doh.wa.gov or (360) 480-7617

Underwriting and For-Profit Eligibility

Mike.Copeland@doh.wa.gov or (360) 236-3083

Planning Questions – contact your regional planner

Questions?

