



STATE OF WASHINGTON DRINKING
WATER STATE REVOLVING FUND
Infrastructure and Public Depository Task Force
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Presenter

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State Revolving Fund Program

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DWSRF Program

- Funded by:
 - EPA grant: \$18-20 million in recent years, with 69 percent used for DWSRF loans
 - State match: 20 percent of EPA grant award
 - Repayments: Approximately \$30 million per year
- Fund used for construction, preconstruction, and emergency loans

DWSRF Program

- EPA grant amount based on need
- Needs assessment done every four years, still waiting for results of 2015 Needs Survey
- 2011 Needs Survey estimated 20-year national need for drinking water infrastructure is \$384.2 billion, with 64 percent for transmission and distribution projects



DWSRF Program

- Based on 2011 Needs Survey
 - Washington receives 2.23 percent of national funding
 - Washington has an estimated \$9.52 billion need for the next 20 years, with 60 percent of the projects needed for transmission and distribution related work

DWSRF Program

- Per Code of Federal Regulations, DWSRF must:
 - Promote efficient use of funds
 - Demonstrate fund is used to provide assistance for drinking water infrastructure projects
 - Fund projects that further public health protection of Safe Drinking Water Act (SDWA)
 - Demonstrate the fund is maintained to operate in perpetuity to assist public water systems
 - Demonstrate to EPA annually we are using funds in accordance with SDWA in order to receive capitalization grant
 - Maintain DWSRF program oversight within State agency having primary responsibility for administration of State's public water system supervision program



DWSRF Funding Opportunities

- Construction loans
- Preconstruction loans
- Emergency loans
- Preconstruction grants
- Consolidation grants

DWSRF Construction Loans

- Celebrating 20 years of funding projects
- \$890 million awarded for projects
- Systems serving 10,000 or fewer:
 - 42% of funds and 77% of applicants
- Systems serving 10,001 and 100,000:
 - 38% of funds and 17% of applicants
- Systems serving more than 100,000:
 - 20% of funds and 6% of applicants

DWSRF Construction Loans

SFY	EPA Capitalization Grant Award (Millions)	Construction Loan Requested Amount (Millions)	Construction Loan Award Amount (Millions)
2014	\$21.5	\$120.0	\$100.6
2015	\$19.7	\$122.6	\$84.5
2016	\$19.6	\$141.5	\$87.7
2017	\$18.2	\$58.4	\$53.5
2018	\$18.2	\$53.5	\$33.5

DWSRF Construction Loans

- Funding cycle available once per year
- Amount available varies each year
- Maximum award per jurisdiction varies between \$3 and \$12 million, depending on available funding
- 1.5 percent interest rate
- Up to 50 percent subsidy based on affordability index or if doing a consolidation project

DWSRF Construction Loans

Eligible Applicants:

- Group A community systems
- Group A nonprofit non-community systems
- Group B systems converting to Group A
- Tribal systems not receiving SDWA set asides for the project

DWSRF Construction Loans

Eligible projects:

- Address a public health risk
- Required by EPA
- Water main replacement projects typically not funded
- Upgrade deteriorated facilities
- Can reimburse for eligible preconstruction activities (design, cultural report, permits)



DWSRF Construction Loans

Ineligible projects:

- Cover operations and maintenance projects
- Address future growth or fire flow
- Contain no construction component

Tacoma Green River Filtration Plant Project

- 150 MGD Filtration Plant
- Total project cost—
\$200 million
- Multiple funders
 - DWSRF—\$45 million (multiple loans)
 - Bonds—\$79 million
 - Partner Utilities—\$66 million
 - Public Works Trust Fund—\$10 million





City of Lynden Surface Water Treatment Plant

- 8.0 MGD WTP with solids handling and filtration
- Multiple funders
 - DWSRF: \$18 million
 - Whatcom County ED Grant: \$2 million
 - Whatcom County ED Loan: \$4 million
 - PWTF: \$12 million

DWSRF Preconstruction Loans

- Starting January 1, 2018, Preconstruction Loans will be available year-round until we exhaust funding *(currently suspended until capital budget is passed)*
- \$300,000 limit per jurisdiction
- 1.5 % interest rate, 6-year loan term
- **Eligible entities:** Group A not-for-profit community water systems, non-community water systems owned by nonprofit organizations, and tribal systems not receiving SDWA set-aside funds for the project
- **Purpose:** Allow systems to prepare for construction

DWSRF Emergency Loans

- Open year-round (*currently suspended until capital budget is passed*)
- \$100,000 limit per jurisdiction
- **Eligible entities:** Group A publicly and privately owned not-for-profit community systems (up to 10,000 people), non-community systems owned by nonprofits, and tribal systems serving up to 10,000 not receiving SDWA set-asides for the project
- **Purpose:** Recovery from drought, wind damage, floods, landslides, wildfires

DWSRF Consolidation Grants

- Cycle held once per year (*currently suspended until capital budget is passed*)
- \$30,000 limit per grant per jurisdiction
- **Eligible entities:** Publicly and privately owned not-for-profit community Group A systems and community tribal systems not receiving SDWA set-aside funds for the project
- **Purpose:** Consolidate or restructure other struggling Group A water systems serving up to 10,000 people
- Funded with set-asides

DWSRF Preconstruction Grants

- Cycle held once per year (*currently suspended until capital budget is passed*)
- \$30,000 limit per grant per jurisdiction
- **Eligible entities:** Publicly and privately owned not-for-profit Group A water systems serving up to 10,000 people and tribal systems serving up to 10,000 people and not received Safe Drinking Water Act (SDWA) set-aside funds for the project
- **Purpose:** Assist small systems with preparing for construction project
- Funded with set-asides

