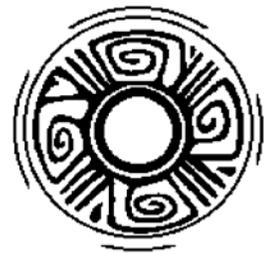


2012 LEGISLATIVE REPORT

PUBLIC

WORKS



BOARD

STAN FINKELSTEIN, CHAIR

ROGERS WEED, DIRECTOR, DEPARTMENT OF COMMERCE

NOVEMBER 2011

# Public Works Board Members

## General Public Representatives

Board Chair, Stan Finkelstein

Vice Chair, Kathryn Gardow PE,

Tom Fitzsimmons

*Vacant*

## City Representatives

The Honorable Jerry Cummins, City of Walla Walla Council Member

The Honorable Ed Hildreth, City of Tumwater Council Member

Larry Waters, City of Mukilteo Public Works Director/City Engineer

## County Representatives

Frank Abart, Whatcom County Public Works Director

The Honorable Larry Guenther, Stevens County Commissioner

The Honorable Steve Stuart, Clark County Commissioner

## Public Utility District Representative

Doug Quinn, Clark County Public Utilities, Director of Water Services

## Sewer and Water District Representatives

The Honorable Don Montfort, Birch Bay Water and Sewer District Commissioner

Darwin Smith, Lake Stevens Sewer District Manager

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Washington State  
Public Works Board  
Post Office Box 42525  
Olympia WA 98504-2525

MEMO: 2012 Legislative Report

DATE: November 2011

TO: Honorable Ed Murray, Chair  
Senate Ways and Means  
  
The Honorable Derek Kilmer, Chair  
Senate Ways and Means –  
Capital Budget Committee

Honorable Hans Dunshee, Chair  
House Capital Budget Committee

Timm Ormsby, Vice Chair  
House Capital Budget Committee

Dear Sirs:

On behalf of the Public Works Board (Board) and in accordance with RCW 43.155.070(6), I am pleased to submit the Board's 2012 annual report and the 2013 list of local infrastructure construction projects recommended for financing. In addition, this report updates the 2012 list of local infrastructure construction projects approved in the 2011-2013 Capital Budget. These updates are necessary due to the changes made by the 2011 Legislature to the list of recommended projects.

The 2013 list of 59 projects commits approximately \$163.2 million from the Public Works Assistance Account and ensures the investment of another \$144 million from other sources for these projects. In total, the \$307 million will create approximately 3,000 construction jobs while rehabilitating and repairing essential local infrastructure systems across the state. Road, street, and bridge projects do not appear on this list. These projects were deemed ineligible for this cycle by the 2011 Legislature. Discussions with legislative leaders will be held to determine if this prohibition is to continue into the future.

This report also provides information about the Board's success in promoting the use of Investment Grade Efficiency Audits (IGEA) among the 2012 loan recipients and the proposed use by this cohort of borrowers. Significant progress has been made towards achieving the intent of the IGEA proviso. The Board continues its work promoting greenhouse gas abatement through its loan programs. Information about this work is also included in this report.

Finally, ESHB 1497 directed the Board, in cooperation with other state agencies, advocate organizations, and local governments, to develop a plan modernizing the state's infrastructure assistance system. The plan is being submitted under separate cover to the legislature in mid-November.

Please contact John LaRocque, Public Works Board Executive Director, with any questions or concerns about this report. John may be reached at [john.larocque@commerce.wa.gov](mailto:john.larocque@commerce.wa.gov) or by phone at 360.725.3166.

Sincerely,

Stan Finkelstein  
Chair, Public Works Board

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Administrative services provided by:



**Department of Commerce**  
Innovation is in our nature.

Report prepared by Ann E. Campbell  
This report is available in alternative format upon  
request at 360.725.3153

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# Section 1

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# Year In Review

## Board Membership

Fiscal Year 2011 brought significant change to the Public Works Board's (Board) membership, similar to that which occurred in Fiscal Year 2010. At the time of this writing, five of the thirteen members were replaced, and one position remains vacant. The turnover is due to a number of reasons, including departures for personal reasons, election results, and retirement from public service.

	<u>October 1, 2010</u>	<u>October 1, 2011</u>
Chairman	Stan Finkelstein	Stan Finkelstein
General Public	Kathryn Gardow PE	Kathryn Gardow PE (Vice Chair)
General Public	Roger Flint	<i>Tom Fitzsimmons</i>
General Public	Steve Victor	VACANT
City	The Honorable Jerry Cummins	The Honorable Jerry Cummins
City	VACANT	<i>The Honorable Ed Hildreth</i>
City	Larry Waters	Larry Waters
County	Jolene Gosselin-Campbell	<i>Frank Abart</i>
County	The Honorable Merrill J. Ott	<i>The Honorable Larry Guenther</i>
County	The Honorable Steve Stuart	The Honorable Steve Stuart
Public Utility District	Doug Quinn	Doug Quinn
Water/Sewer District	The Honorable Don Montfort	The Honorable Don Montfort
Water/Sewer District	The Honorable Kathleen Keene	<i>Darwin Smith</i>

## Programs

The Board's Construction Loan program re-emerged in 2011 with the inclusion of the 2012 Construction Loan list in the 2011-2013 Capital Budget: Engrossed Substitute House Bill 1497, Section 1021. Seventy-seven projects were approved, and approximately \$324 million was committed to these projects. Greater detail concerning the changes between the originally submitted 2012 Construction Loan list and the list included in the Capital Budget is provided later in this report. No funds were appropriated by the Legislature for the Pre-Construction, the Emergency, and the Planning Loan Programs for the 2011-13 biennium.

The Board continued its work with the Department of Health on the Drinking Water State Revolving Fund. Approximately \$69 million was committed to 36 projects during the fiscal year. The Board works closely with the Department of Health to maximize the federal funds available to the state. Information regarding the Drinking Water State Revolving Fund program appears later in this report.

Bay along Puget Sound, Deception Pass State Park; 1934; State Parks & Rec Commission, Photos of Park Deve, 1933-1938; Washington State Archives, Digital Archives, <http://www.digitalarchives.wa.gov>, October 13, 2011.



# Year In Review cont.

## Legislative Policy Implementation

The 2011 Legislature passed the 2011-2013 Capital Budget, Engrossed Substitute House Bill 1487 (ESHB 1487), on May 25, 2011. ESHB 1487 contained several provisos to be acted upon by the Board through its programs.



### Sections 1018 and 1021, Item 2

*1018: "The appropriations in this section are subject to the following conditions and limitations: For Projects involving repair, replacement, or improvement of a clean water infrastructure facility or other public works facility for which an investment grade audit is obtainable, the public works board must require as a contract condition that the project sponsor undertake an investment grade audit. The project sponsor may finance the costs of the audit as part of its drinking water state revolving fund program loan."*

*1021, Item 2: "For projects involving repair, replacement, or improvement of a wastewater treatment plant or other public works facility for which an investment grade audit is obtainable, the public works board must require as a contract condition that the project sponsor undertake an investment grade audit. The project sponsor may finance the costs of the audit as part of its public works assistance account loan."*

These Capital Budget sections require construction projects to perform Investment Grade Efficiency Audits (IGEA) when there is an opportunity to secure energy and/or water savings. Information regarding the Board's execution of this legislative requirement is included further into this report.

### Section 1021, Item 3

*"The public works board is directed to develop a more effective program for the efficient achievement of the goals of RCW 70.235.070. The board shall report to the legislature on this effort by January 1, 2012"*

This section of the budget requires the Board to build upon its foundational work regarding the reduction of greenhouse gas emissions through its project selection. In 2010, the Board was the first competitive capital budget funding program to incorporate the required considerations outlined in RCW 70.235.070. The law requires these programs to take into consideration, when selecting projects, the consistency of the project with various state and federal emissions limits or reductions. Insight on the Board's greenhouse gas abatement effort is included in the Application Overview section of this report.

### Section 1021, Item 4

*"For application rounds that occur during the 2011-2013 biennium, roads, streets, and bridges will not be eligible for funding from the public works assistance account."*

The Board was directed by the Legislature to exclude roads, streets, and bridges from eligibility in the event of a 2013 Construction loan cycle funded through the Public Works Assistance Account. Therefore, the proposed 2013 Public Works Construction Loan list only contains projects from the following systems: drinking water, sanitary sewer, storm water, and solid waste/recycling.

# Year In Review cont.

## Legislative Policy Implementation continued. . .

### Section 7028

*“A new section is added to chapter 43.155 RCW to read as follows:*

*(1) The legislature intends to modernize state programs that provide financial and technical assistance related to local infrastructure. . .*

*(2) By November 1, 2011, the public works board must prepare and submit to the appropriate committees of the legislature an implementation plan for creating a reformed state system for providing local infrastructure assistance. . .*

*(3) The board. . . must consider. . . consolidating assistance packages, streamlining application processes, and clarify the respective responsibilities of state and local agencies in planning form developing and maintaining local public infrastructure. . . ”*

The Legislature tasked the Board, in conjunction with other state agencies, advocate organizations, and local governments, with planning for the modernization of the state’s infrastructure assistance systems.



The Board successfully enacted all directives of the 2011 legislature. The following pages contain reports of the Board’s work with IGEAs, greenhouse gas abatement, and proposals to modernize Washington state’s infrastructure assistance system.



Washington’s Continental Congress, July 4, 1889;  
1889; General Subjects Photograph Collection, 1845-2005; Unknown;  
Washington State Archives; Digital Archives; <http://www.digitalarchives.wa.gov/>  
October 13, 2011.

# Year In Review cont.

## Modernization of Washington's Infrastructure Assistance Network

### Overview

The 2011-2013 Capital Budget (ESHB 1497, Section 7028) directs the Public Works Board, in concert with partner agencies, advocate organizations, and local governments, to prepare a plan to modernize the state's financial and technical infrastructure assistance network. The proviso calls for the plan to include a model for the new network, the method to implement the model, and the legislation necessary to adjust the state's budget and organizational structure to accommodate the new approach.

### Status

The proposed Modernization Plan is currently under review. A full report on the plan is anticipated to be released in November 2011.

Please contact John LaRocque, Executive Director of the Public Works Board with questions at:  
John LaRocque; [john.larocque@commerce.wa.gov](mailto:john.larocque@commerce.wa.gov)

For a copy of the Infrastructure Modernization report, please contact  
Dawn Eychaner; [dawn.eychaner@commerce.wa.gov](mailto:dawn.eychaner@commerce.wa.gov)

## Section 2

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# Public Works Trust Fund Application Overview

## Construction Loan Funding Cycle Process

In preparation for the 2012 legislative session, the Board reviewed the Public Works Assistance Account's (PWAA) Predictive Model. The model demonstrated approximately \$200 million available in the PWAA. These funds enable the Board to access the Accelerated Loan Commitment Model (ALCM) for use in the 2013 Construction Loan cycle. The ALCM is a method used to generate additional resources by aggressively managing the cash flow in the account. By utilizing the ALCM, the Board is able to recommend an additional \$163.2 million in projects for the second fiscal year of this biennium.

In June 2011, the Board decided to access the available funds identified through the ALCM. This created a timing challenge for Board staff to produce an application, and local organizations to apply for funding, in time to present a list to the legislature. Traditionally, this is a six-month process (applications available in February, due in May, with the Board selecting projects for recommendation to the Legislature in August.) The 2013 application process was accomplished in nine weeks.

### Application Changes

In addition to the truncated application timeline, the Board implemented the following changes in the application selection process:

1. Designated transportation projects (roads, streets, and/or bridges) as ineligible for funding during the 2013 application cycle per ESHB 1497, Section 1021, Item 4
2. Analyzed local capacity
3. Increased greenhouse gas (GHG) reduction requirements
4. Added "Investment Grade Efficiency Audit" (IGEA) to the line items in the Project Budget and Timeline sections
5. Modified loan terms based on clients' "Affordability Index"

#### 1. Transportation projects

The 2011-2013 Capitol Budget (Section 1021, item 4) excludes transportation projects from funding eligibility during the 2013 fiscal year:

*"For application rounds that occur during the 2011-2013 biennium, roads, streets, and bridges will not be eligible for funding from the public works assistance account."*

#### 2. Local capacity

The 2013 application has a series of questions providing information to assist the Board's evaluation of the applicant system's financial capacity to incur debt. Capacity is a term used to refer to the capabilities that a public system must have in order to provide utility services to its customers while remaining in compliance with local, state, and federal regulations. These capabilities are categorized as financial, technical, and managerial in nature. There is considerable overlap and correlation among the categories.

- Managerial capacity & system management:  
Selected indicators are audit findings, records and reporting systems, staffing levels, past public works trust fund contract performance, asset management, and fixed assets inventory list.
- Financial capacity:  
Selected indicators are ratios for operating revenues to expenditures, the ratio of net incomes to revenues, the ratios of assets to liabilities, debt-service coverage, as well as debt and debt capacity.

# Public Works Trust Fund Application Overview cont.

## 3. Greenhouse gas requirements

RCW 70.235.070 requires competitive state infrastructure funding programs to take into consideration the reduction of greenhouse emissions in the selection process. The Board took a bold step in responding to this challenge by choosing to adopt as a threshold requirement that all PWTF applicants pass local policies relating to GHG reductions.

Because of the truncated application cycle, applicants were given additional time to meet the threshold requirement. Applicants had until August 4, 2011, to submit copies of adopted policies that addressed these reductions. A web based tool was developed during the 2012 loan cycle to assist clients with drafting policies. Local governments that did not meet this requirement by the due date were determined ineligible for funding consideration.

## 4. Investment grade efficiency audits

The 2011-2013 Capitol Budget (Section 1021, Item 2) states that the Board shall require, as a contract condition, recipients of PWTF financing to complete an IGEA where feasible.

The Board worked in conjunction with the Departments of Ecology, General Administration (now Enterprise Services), and Health to create a methodology by which clients can meet this requirement. Further detail on IGEAs and how they are incorporated into the Board's work appears later in this report.

## 5. Loan terms

Before each application cycle, the Board reviews its loan rates and terms. For the 2013 Construction Loan cycle, the Board changed its rates and terms from being determined by the applicant's level of fiscal distress to being determined by the "affordability" of its customer rates. The consumer's ability to pay focuses not on whether the consumer will pay for utility service, but on whether consumers can pay for utility service.

Affordability is determined by the applicant's "affordability index" (AI). The AI is a measure of consumers' financial ability to pay for utility services. Rates are deemed to be "affordable" if the proposed rate is less than two percent of the service area/jurisdiction's Median Household Income:\*

$$\frac{\text{"New Average Utility Rate"} \times 12 \text{ (months)}}{\text{Median Household Income (MHI)}}$$

The following tables describe the calculation steps and the loan terms based on the outcomes of the calculations.

STEP 1 Calculate New Average Utility Rate:	STEP 2 Calculate Average Annual Utility Rate per ERU:	STEP 3 Determine affordability index	STEP 4 Convert AI to a percentage
\$50 (Average monthly rate) + \$ 5 (Operations, Maint., & Replace.) + \$10 (Debt Service & Reserve Requirements)	\$65 NAUR x 12 months	\$780 (AAUR) ÷ \$45,000 (MHI)	0.0173 (AI) x 100
New Average Utility Rate (NAUR) = <u>\$65</u>	Average Annual Utility Rate (AAUR)= <u>\$780</u>	Affordability Index (AI): 0.0173	Affordability Index as a Percentage: 1.73%

Loan Terms	AI 2.0% or less	AI between 2.1% and 2.5%	AI of 2.51% or higher
Required Local Match Funding	5, 10, or 15%	0.00%	0.00%
Interest Rate	0.50, 1.0, or 2.00%	0.50%	0.25%
Length of Construction Loan	20 years	30 years	30 years

\*The 2% baseline stems from the Environmental Protection Agency's guidance on affordability of investment in water and wastewater systems.

## Section 3

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# Investment Grade Efficiency Audit

The 2011-2013 Capital Budget (ESHB 1497, Section 1021, Item 2) requires that recipients of 2012 Public Works Trust Fund (PWTF) loans undergo an Investment Grade Efficiency Audit (IGEA) when possible:

*“For projects involving repair, replacement, or improvement of a wastewater treatment plant or other public works facility for which an investment grade audit is obtainable, the public works board must require as a contract condition that the project sponsor undertake an investment grade audit. The project sponsor may finance the costs of the audit as part of its public works assistance account loan.”*

An IGEA is the process by which qualified energy efficiency engineers work with borrowers to evaluate projects for areas that could realize energy savings. It is an evaluation process.

The primary purpose of the IGEA is to assure that infrastructure projects using energy components (e.g., motors, pumps, lighting, heating, blowers, etc.) evaluate the effectiveness of the equipment being considered. Through this analysis, a borrower, such as a water system, can determine the impact of equipment selection on long-term savings through energy reduction.

The Public Works Board, in collaboration with the Departments of Ecology and Health, both of whom are required to abide by similar legislation, met with the Department of Enterprise Systems’ (formerly the Department of General Administration) Energy Team to create a methodology to assist borrowers with the IGEA requirement.

Of the seventy-six 2012 PWTF Construction loan recipients, forty-eight projects are demonstrating their energy efficiency within their project by:

- Proceeding with a preliminary energy audit; or
- Completing a third-party design review of the engineered plans; or
- Providing documentation demonstrating that an energy analysis had previously been completed.

The IGEA requirement is not applicable to twenty-eight projects due to the projects having either no obtainable energy savings, or no energy components.



## Section 4

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# 2013 Recommended Construction Loan List

Applicant	Project Name	Loan Amount	Total Project Cost	County	Client Type	Project Type
Asotin County	Cell "D" Construction	\$2,950,000	\$3,500,000	Asotin	County	Solid Waste/ Recycle
Auburn	Well 1 Improvements Project	\$3,325,000	\$3,500,000	King	City	Water
Bainbridge Island	Eagle Harbor Sewer Beach Main Rehabilitation	\$4,167,610	\$4,822,240	Kitsap	City	Sewer
Belfair Water District 1	SR3 Water Main Project	\$1,900,000	\$2,000,000	Mason	W/D	Water
Birch Bay Water & Sewer District	Blaine Rd Water Transmission Line; Loomis Trail to BB Lynden	\$1,190,000	\$1,400,000	Whatcom	W/S	Water
Blaine	Vista Terrace Area ULID	\$536,000	\$700,000	Whatcom	City	Sewer
Blaine	Gateway Regional Storm Water Facility	\$1,505,000	\$1,585,000	Whatcom	City	Storm Water
Bothell	Horse Creek Enhancement Project	\$800,000	\$956,500	King	City	Storm Water
Buckley	Trail Well & Emergency Intertie Booster Station	\$1,805,000	\$1,900,000	Pierce	City	Water
Camas	Sanitary Sewer Transmission Main	\$3,740,000	\$4,400,000	Clark	City	Sewer
Camas	2.0 MG Gregg Reservoir	\$2,040,000	\$2,400,000	Clark	City	Water
Castle Rock	Front Ave. Water/Sewer Main Replacement	\$460,750	\$485,000	Cowlitz	City	Water
Clark Regional Wastewater District	Discovery Corridor Wastewater Transmission System	\$10,000,000	\$26,000,000	Clark	S/D	Sewer
Dallesport Water District	Distribution System Replacement	\$183,184	\$192,825	Klickitat	W/D	Water
East Wenatchee Water District	Pipe Reliability and Capacity Improvements	\$1,254,600	\$1,476,000	Douglas	W/D	Water
East Wenatchee Water District	10th Street Reservoir Replacement	\$3,949,100	\$4,646,000	Douglas	W/D	Water

# 2013 Recommended Construction Loan List

Applicant	Project Name	Loan Amount	Total Project Cost	County	Client Type	Project Type
Everett	Water Pollution Control Facility Expansion, Phase C	\$10,000,000	\$56,000,000	Snohomish	City	Sewer
Ferndale	SW Storm water Management Facility	\$1,710,000	\$1,800,000	Whatcom	City	Storm Water
Fife	Water Treatment for Groundwater Development	\$4,074,840	\$4,527,600	Pierce	City	Water
Fife	Well and Land Acquisition	\$594,000	\$660,000	Pierce	City	Water
Gig Harbor	Wastewater Treatment Plant Improvements, Treatment Plan Upgrade Phase 2	\$5,950,000	\$7,000,000	Pierce	City	Sewer
Goldendale	Sewer Collection System Improvements	\$2,608,740	\$2,898,600	Klickitat	City	Sewer
Granite Falls	WWTF Upgrades	\$893,636	\$983,000	Snohomish	City	Sewer
Highline Water District	Angle Lake Watermain Replacement	\$2,210,000	\$2,600,000	King	WD	Water
Hoquiam	Water Transmission Pipeline Replacement - Priority Segment	\$10,000,000	\$10,550,000	Grays Harbor	City	Water
Ilwaco	First Ave Sewer Line	\$794,000	\$841,773	Pacific	City	Sewer
Ilwaco	Indian Creek Water Plant Upflow Clarifier	\$889,865	\$936,700	Pacific	City	Water
Ilwaco	Nesadi Drive Sewer Relocation	\$336,000	\$336,000	Pacific	City	Sewer
Kennewick	Zone 4 Reservoir	\$4,250,000	\$5,000,000	Benton	City	Water
Kent	Tacoma Second Supply Filtration Plant	\$2,000,000	\$22,825,000	King	City	Water
King County WD #90	4th Street Supply Line Replacement	\$195,000	\$220,000	King	WD	Water
Kirkland	NE 80th St. Sewer Main and Water Main Replacement	\$4,037,600	\$4,751,000	King	City	Sewer
Klickitat County PUD #1	Roosevelt Water New Source & Pipeline Project	\$300,000	\$352,941	Klickitat	PUD	Water

# 2013 Recommended Construction Loan List cont.

Applicant	Project Name	Loan Amount	Total Project Cost	County	Client Type	Project Type
Klickitat County PUD #1	Lyle Water New Source & Pipeline Project in Business District	\$500,500	\$588,824	Klickitat	PUD	Water
Lake Forest Park Water District	Source and Supply Improvements in WHPA	\$464,304	\$580,780	King	WD	Water
Lakewood Water District	Springbrook Water Main Replacement	\$776,900	\$914,000	Pierce	WD	Water
Leavenworth	Phase I Division & Front St Stormwater Utility Improvements	\$1,189,925	\$1,252,555	Chelan	City	Storm Water
Leavenworth	East Leavenworth Rd. Water Supply Transmission Main Replacement	\$1,178,461	\$1,240,486	Chelan	City	Water
Mabton	Wastewater Treatment Facility Improvements	\$5,057,000	\$5,757,000	Yakima	City	Sewer
Mukilteo Water and WW District	Big Gulch WWTF Outfall Replacement	\$888,250	\$1,135,700	Snohomish	W/S	Sewer
Mukilteo Water and WW District	Everett Water Pollution Control Facility Expansion Phase B and C	\$1,950,000	\$2,300,000	Snohomish	W/S	Sewer
North Bend	415th Way Waterline	\$1,226,000	\$1,363,000	King	City	Water
Orting	Calistoga Setback Levee	\$4,000,000	\$8,377,060	Pierce	City	Storm Water
Pacific	Stewart Rd & Valentine Ave Water Main Replacement	\$2,814,117	\$3,126,797	King	City	Water
Port Townsend	5MG Reservoir Replacement Project	\$2,104,000	\$6,068,205	Jefferson	City	Water
Port Townsend	UV Disinfection	\$5,000,000	\$8,651,011	Jefferson	City	Water
Silver Lake Water & Sewer District	Everett Water Pollution Control Facility Expansion Phase B and C	\$7,810,000	\$9,190,000	Snohomish	W/S	Sewer
Skyway Water and Sewer District	Skyway Park Sewer Pump Station Consolidation	\$1,916,495	\$2,254,700	King	W/S	Sewer
Skyway Water and Sewer District	Well Development Phase II	\$2,125,000	\$2,500,000	King	W/S	Water

# 2013 Recommended Construction Loan List cont.

Applicant	Project Name	Loan Amount	Total Project Cost	County	Client Type	Project Type
Snohomish	Everett Conveyance Project	\$10,000,000	\$41,000,000	Snohomish	City	Sewer
Soap Lake	Wastewater Treatment Facility Improvements	\$1,478,200	\$1,580,000	Grant	City	Sewer
SunLand Water District	Water Reclamation Facility Improvements	\$2,173,600	\$2,342,891	Clallam	WD	Sewer
Trentwood Irrigation District #3	2 MG Reservoir	\$2,410,000	\$2,540,000	Spokane	Irrigation Dist	Water
Tukwila	Central Business District Sanitary Sewer Rehabilitation	\$750,000	\$1,000,000	King	City	Sewer
Waitsburg	Sewer line Relining	\$120,000	\$124,000	Walla Walla	City	Sewer
Woodland	Sewer Line replacement	\$4,750,000	\$5,000,000	Cowlitz	City	Sewer
Woodland	New Ranney Well Development	\$1,995,000	\$2,100,000	Cowlitz	City	Water
Yakima	Industrial Sewer Main Extensions	\$2,000,000	\$3,300,000	Yakima	City	Sewer
Yakima	Automated Meter Reading System	\$5,000,000	\$10,481,250	Yakima	City	Water

**Total Loan Amount Requested:**  
**\$160,327,677**

**Total Project Costs:**  
**\$307,014,438**



# Estimated System Rate Changes

The 2013 Construction Loan application included scored questions regarding the applicants' capacity to incur debt. The following table reflects the applicants' estimated monthly rates in the event that the applicant assumes the debt of a 2013 Construction Loan. The rates are provided by the applicants. The amount of change to the rate is provided by the applicants. These rates are estimations based on the assumption of debt, rates, and terms as outlined in the 2013 Construction Loan Application Guidelines.

<u>Jurisdiction</u>	<u>System Type</u>	<u>Current Rate</u>	<u>Estimated Rate</u>	<u>% Change</u>
Asotin County	Solid Waste/Recycle	\$ 37.65	\$ 47.00	25%
Auburn, City of	Water	\$ 26.90	\$ 30.60	14%
Bainbridge Island, City of	Sewer	\$ 81.76	\$ 121.17	48%
Belfair Water District 1	Water	\$ 36.05	\$ 46.05	28%
Birch Bay Water & Sewer District	Water	\$ 14.76	\$ 15.20	3%
Blaine, City of	Sewer	\$ 81.31	\$ 99.70	23%
Blaine, City of	Storm	\$ 4.37	\$ 4.51	3%
Bothell, City of	Storm	\$ 9.17	\$ 10.41	14%
Buckley, City of	Water	\$ 24.48	\$ 27.78	13%
Camas, City of	Water	\$ 24.96	\$ 26.50	6%
Camas, City of	Sewer	\$ 34.50	\$ 36.05	4%
Castle Rock, City of	Water	\$ 44.00	\$ 45.00	2%
Clark Regional Wastewater District	Sewer	\$ 34.00	\$ 37.10	9%
Dallesport Water District	Water	\$ 27.50	\$ 36.00	31%
East Wenatchee Water District	Water	\$ 28.26	\$ 29.00	3%
East Wenatchee Water District	Water	\$ 28.26	\$ 29.00	3%
Everett, City of	Sewer	\$ 30.75	\$ 33.90	10%
Ferndale, City of	Storm	\$ 5.00	\$ 12.00	140%
Fife, City of	Water	\$ 33.16	\$ 44.70	35%
Gig Harbor, City of	Sewer	\$ 43.88	\$ 50.50	15%
Goldendale, City of	Sewer	\$ 31.50	\$ 40.95	30%
Granite Falls, City of	Sewer	\$ 50.00	\$ 54.00	8%
Highline Water District	Water	\$ 35.65	\$ 39.78	12%
Hoquiam, City of	Water	\$ 30.00	\$ 35.00	17%

## Estimated System Rate Changes cont.

<u>Jurisdiction</u>	<u>System Type</u>	<u>Current Rate</u>	<u>Estimated Rate</u>	<u>% Change</u>
Ilwaco, City of	Water	\$ 31.60	\$ 38.65	22%
Ilwaco, City of	Sewer	\$ 58.64	\$ 64.50	10%
Kennewick, City of	Water	\$ 9.30	\$ 9.80	5%
Kent, City of	Water	\$ 34.27	\$ 42.47	24%
King County WD #90	Water	\$ 31.43	\$ 32.70	4%
Kirkland, City of	Sewer	\$ 58.90	\$ 86.59	47%
Klickitat County PUD #1	Water	\$ 27.92	\$ 29.80	7%
Klickitat County PUD #1	Water	\$ 38.84	\$ 47.44	22%
Lake Forest Park Water District	Water	\$ 43.41	\$ 43.41	0%
Lakewood Water District	Water	\$ 22.50	\$ 25.20	12%
Leavenworth, City of	Water	\$ 50.36	\$ 60.77	21%
Leavenworth, City of	Storm	N/A	\$ 2.31	New System
Mabton, City of	Sewer	\$ 34.06	\$ 86.00	152%
Mukilteo Water and WW District	Sewer	\$ 48.00*	\$ 50.90*	6%
Mukilteo Water and WW District	Sewer	\$ 34.88*	\$ 36.93*	6%
North Bend, City of	Water	\$ 35.99	\$ 40.58	13%
Orting, City of	Storm	\$ 15.00	\$ 18.00	20%
Pacific, City of	Water	\$ 32.00	\$ 33.60	5%
Port Townsend, City of	Water	\$ 26.15	\$ 41.00	57%
SunLand Water District	Sewer	\$ 49.00	\$ 75.00	53%
Silver Lake Water & Sewer District	Sewer	\$ 46.00	\$ 62.94	37%
Skyway Water and Sewer District	Water	\$ 47.52	\$ 47.00	-1%
Skyway Water and Sewer District	Sewer	\$ 56.22	\$ 65.57	17%
Snohomish, City of	Sewer	\$ 68.14	\$ 136.07	100%
Soap Lake, City of	Sewer	\$ 25.18	\$ 34.50	37%

\*Mukilteo Water and WW District operates more than one independent sewer system. The different monthly rates reflect the sewer systems that would be impacted by assuming the debt of a 2013 PWTF Construction Loan.

## Estimated System Rate Changes cont.

<u>Jurisdiction</u>	<u>System Type</u>	<u>Current Rate</u>	<u>Estimated Rate</u>	<u>% Change</u>
Trentwood Irrigation	Water	\$ 17.83	\$ 20.00	12%
Tukwila, City of	Sewer	\$ 45.29	\$ 52.16	15%
Waitsburg, City of	Sewer	\$ 50.75	\$ 54.30	7%
Woodland, City of	Water	\$ 46.06	\$ 52.00	13%
Woodland, City of	Sewer	\$ 73.95	\$ 76.15	3%
Yakima, City of	Water	\$ 37.62	\$ 43.20	15%
Yakima, City of	Sewer	\$ 38.38	\$ 40.34	5%



EASPW-398; 1927; City of Spokane Public Works Department; Washington State Archives; Digital Archives; <http://www.digitalarchives.wa.gov>; October 12, 2011.

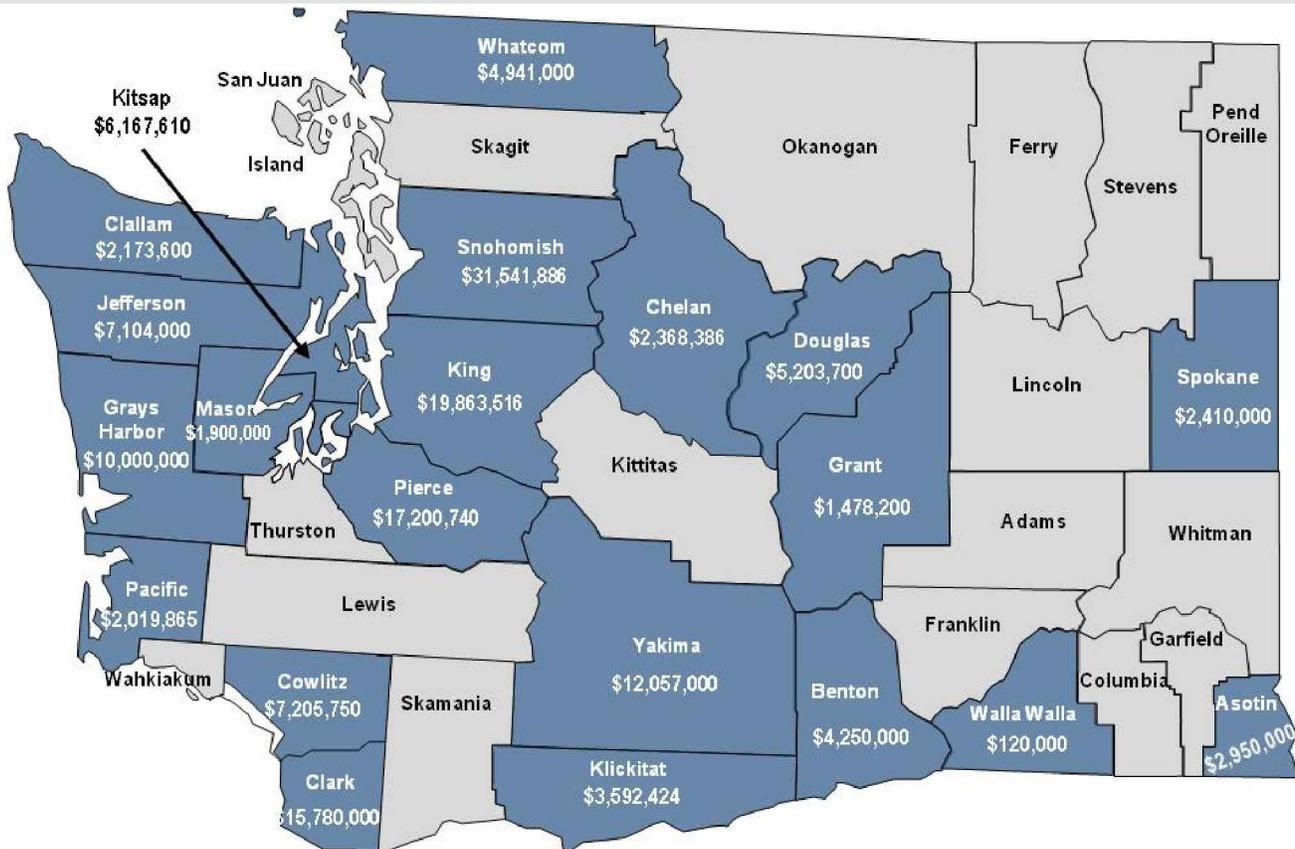
# Statistics for Recommended Construction Projects

On July 21, 2011, during a mid-biennium loan cycle, the Public Works Board received 63 applications requesting \$185.4 million for essential public infrastructure needs. The Board recommends funding 59 applications totaling \$160 million. This recommendation uses all of the anticipated construction funds in the Public Works Assistance Account for the 2011-2013 biennium.

The following pages detail the 59 projects from 46 different jurisdictions. These entities have an additional \$143 million in local match to complete these projects.



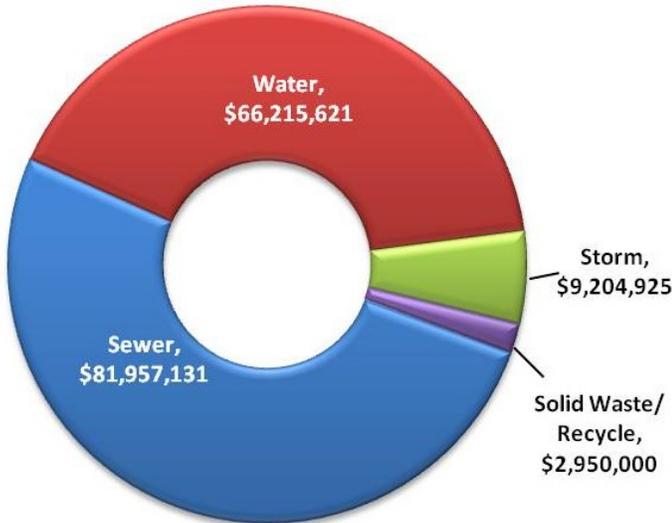
## 2013 Recommended Project Investments by County



# Statistics for Recommended Construction Projects

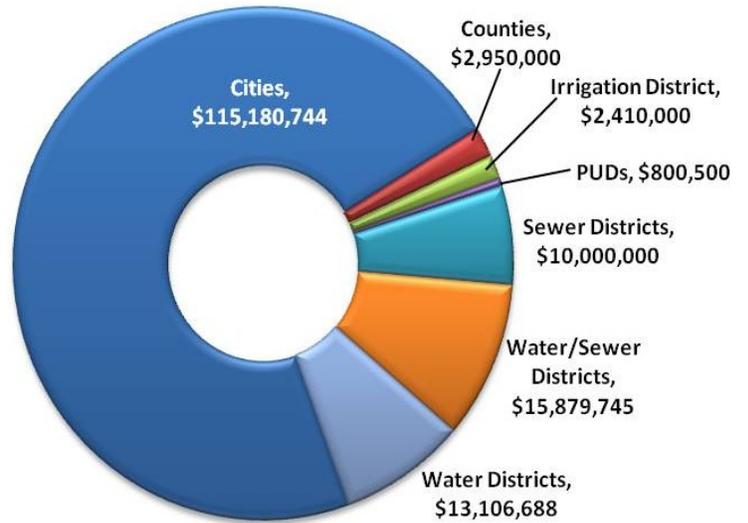
## Distribution of Funds by System Type

**Statewide:** \$160,327,677



## Distribution of Funds by Client Type

**Statewide:** \$160,327,677

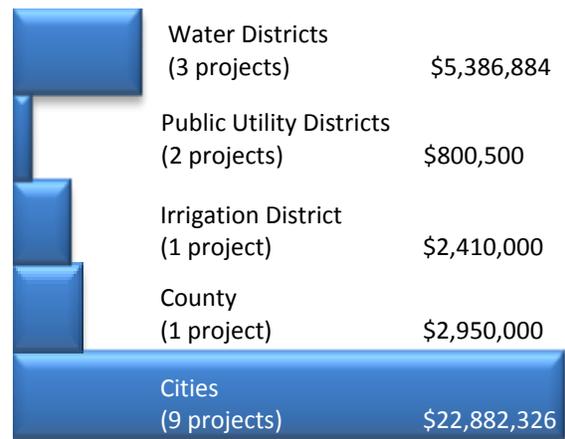


Roadway systems were excluded from funding consideration per ESHB 1497, Section 1021.

**Eastside:** 21%



**Eastside:** 21%



**Westside:** 79%



**Westside:** 79%



# Statistics for Recommended Construction Projects

## Estimated Gross Impacts Over the Life of the Public Works Trust Fund

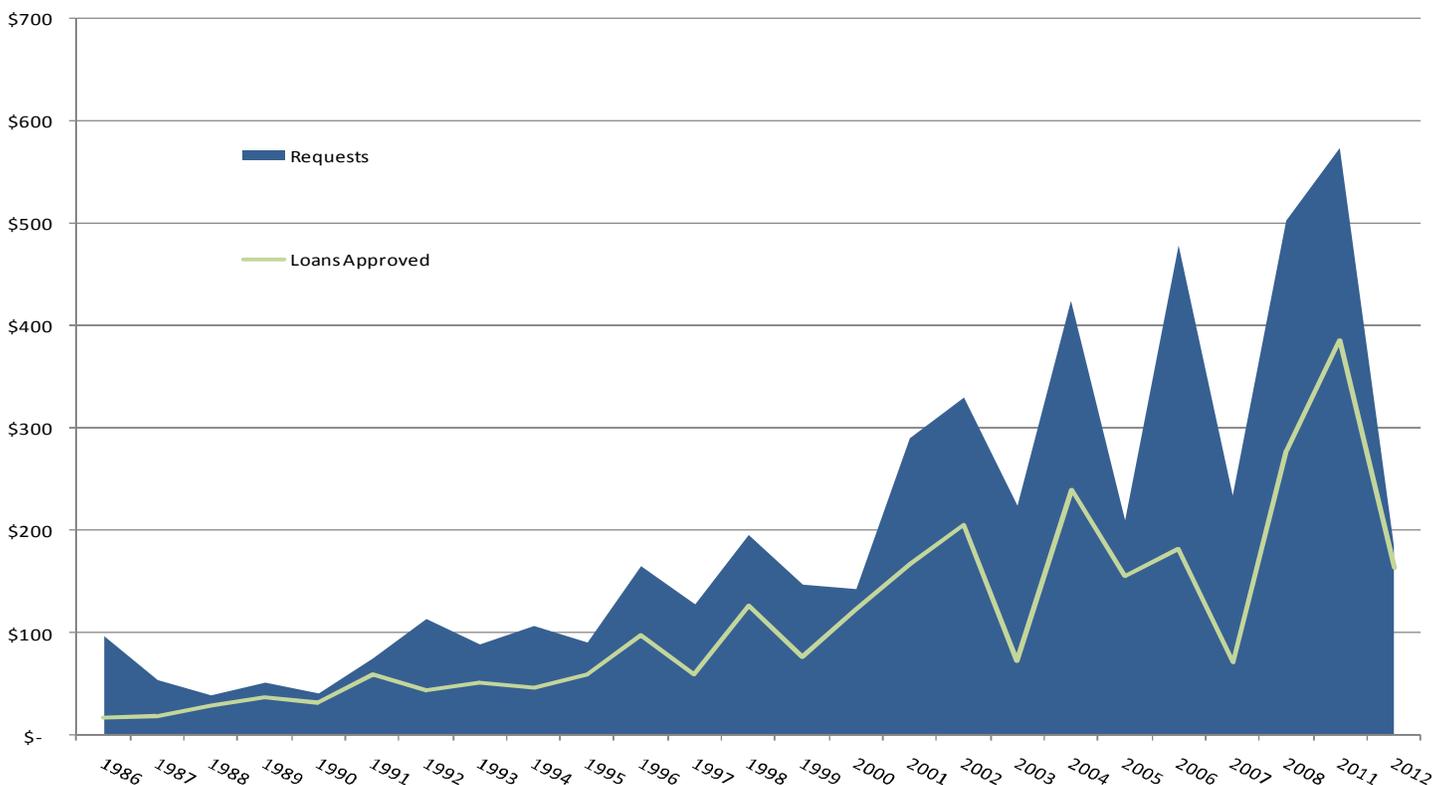
(In Millions of Dollars and FTEs, by biennium)

	86-87	88-89	90-91	92-93	94-95	96-97	98-99	00-01	02-03	04-05	06-07	08-09	10-11	2012-2013	
<b>PWTF Loans Approved</b>	\$35	\$66	\$92	\$96	\$106	\$156	\$203	\$291	\$278	\$391	\$253	\$278	General Fund Revenues Redirected to the State	\$324.5	<b>\$160.3 Million</b>
<b>Total Projects Costs</b>	\$45	\$83	\$82	\$78	\$86	\$105	\$143	\$473	\$313	\$763	\$613	\$899		\$970	<b>\$307 Million</b>
<b>Jobs</b>	446	822	812	772	851	1,040	1,416	4,683	3,099	7,554	6,069	8,900		<b>9,603</b>	<b>3,039</b>

**More than 12,500 jobs this biennium**

## Public Works Trust Fund Loans Requested and Approved

(In Millions)



# Recommended 2013 Construction Projects

Asotin County		Solid Waste/Recycle	
<b>County</b>	Asotin	<b>PWTF 2012 Construction Loan</b>	\$2,950,000
<b>Local Participation</b>	16%	<b>Other Funds</b>	\$0
<b>Estimated PWTF Interest Rate</b>	0.5%	<b>Local Reserves</b>	\$550,000
<b>Estimated Total Project Budget</b>		<b><u>\$3,500,000</u></b>	

This project funds the final design, final permitting, and construction of an approximate 7.5-acre lateral expansion cell (Cell D). Based on the county's Solid Waste and Moderate Risk Waste Management Plan and current waste disposal forecasts, Cell D must be constructed by year 2015 and operational by 2016 in order to maintain uninterrupted service.

City of Auburn		Domestic Water	
<b>County</b>	King	<b>PWTF 2012 Construction Loan</b>	\$3,325,000
<b>Local Participation</b>	5%	<b>Other Funds</b>	\$0
<b>Estimated PWTF Interest Rate</b>	2%	<b>Local Reserves</b>	\$175,000
<b>Estimated Total Project Budget</b>		<b><u>\$3,500,000</u></b>	

This project will make improvements to the existing 51 year old well system to provide a safe and reliable water source. The project includes design and construction of a new well building, pump/motor assembly, disinfection system, emergency power, telemetry/SCADA, electrical upgrades and drainage improvements; transmission piping and modifications to an existing corrosion control treatment facility to receive water from Well # 1.

City of Bainbridge Island		Sanitary Sewer	
<b>County</b>	Kitsap	<b>PWTF 2012 Construction Loan</b>	\$4,167,610
<b>Local Participation</b>	5%	<b>Other Funds</b>	\$425,000
<b>Estimated PWTF Interest Rate</b>	2%	<b>Local Reserves</b>	\$229,630
<b>Estimated Total Project Budget</b>		<b><u>\$4,822,240</u></b>	

The City will replace three corroded sewer force main lines that are located along the eastern intertidal shoreline of Eagle Harbor. This will prevent the release of untreated sewage into Eagle Harbor and Puget Sound for the next 100 years.

Belfair Water District 1		Domestic Water	
<b>County</b>	Mason	<b>PWTF 2012 Construction Loan</b>	\$1,900,000
<b>Local Participation</b>	5%	<b>Other Funds</b>	\$0
<b>Estimated PWTF Interest Rate</b>	2%	<b>Local Reserves</b>	\$100,000
<b>Estimated Total Project Budget</b>		<b><u>\$2,000,000</u></b>	

This project is being constructed in coordination with the WSDOT improvement to SR 3. Belfair will be abandoning their forty year old 8" water main and install new 12" ductile iron water mains outside of the newly widened pavement to conform to current WSDOT design standards.

# Recommended 2013 Construction Projects

Birch Bay Water & Sewer District		Domestic Water	
County	Whatcom	PWTF 2012 Construction Loan	\$1,190,000
Local Participation	15%	Other Funds	\$0
Estimated PWTF Interest Rate	0.5%	Local Reserves	\$210,000
<b>Estimated Total Project Budget</b>		<b><u>\$1,400,000</u></b>	

This project is being done to maintain regulatory compliance. Upgrading this section of water line will improve the delivery of water into the District and the ability to meet peak day demand.

City of Blaine		Sanitary Sewer	
County	Whatcom	PWTF 2012 Construction Loan	\$536,000
Local Participation	23%	Other Funds	\$0
Estimated PWTF Interest Rate	0.5%	Local Reserves	\$164,000
<b>Estimated Total Project Budget</b>		<b><u>\$700,000</u></b>	

This project will provide sanitary sewer service to a portion of the City still utilizing septic systems. This Utility Local Improvement District (ULID) will design and construct sewer main to serve 57 properties currently served only by older on-site septic systems. In the last 5 years, there have been two failed systems, which render the homes uninhabitable; several properties are currently subject to non-compliant status per Whatcom County Health Department.

City of Blaine		Storm Water	
County	Whatcom	PWTF 2012 Construction Loan	\$1,505,000
Local Participation	5%	Other Funds	\$0
Estimated PWTF Interest Rate	2%	Local Reserves	\$80,000
<b>Estimated Total Project Budget</b>		<b><u>\$1,585,000</u></b>	

This project will develop a regional storm water facility for the Gateway Industrial/Commercial area. The construction of a conveyance system is required to deliver the runoff from the contributing area to the pond. As Blaine is the "Gateway" to the United States from Canada, this facility will have great potential to develop and create economic vitality through manufacturing and international trade.

City of Bothell		Storm Water	
County	King	PWTF 2012 Construction Loan	\$800,000
Local Participation	16%	Other Funds	\$0
Estimated PWTF Interest Rate	0.5%	Local Reserves	\$156,500
<b>Estimated Total Project Budget</b>		<b><u>\$956,500</u></b>	

With this loan, the City will relocate Horse Creek from a pipe into a fish-friendly channel along a new alignment. The Horse Creek Enhancement Project aims to restore fish migration potential to the stream, add habitat where none exists today and address a storm water capacity issue.

# Recommended 2013 Construction Projects

City of Buckley		Domestic Water	
County	Pierce	PWTF 2012 Construction Loan	\$1,805,000
Local Participation	5%	Other Funds	\$0
Estimated PWTF Interest Rate	2%	Local Reserves	\$95,000
<b>Estimated Total Project Budget</b>		<b><u>\$1,900,000</u></b>	

Buckley's water system is under constant threat of losing its primary raw water source due to transmission failures. Secondary sources are unable to keep up with system demand. By adding a new well and connecting to the Tacoma Water transmission main, the City can supply water to its customers during any water shortage event.

City of Camas		Sanitary Sewer	
County	Clark	PWTF 2012 Construction Loan	\$3,740,000
Local Participation	15%	Other Funds	\$0
Estimated PWTF Interest Rate	0.5%	Local Reserves	\$660,000
<b>Estimated Total Project Budget</b>		<b><u>\$4,400,000</u></b>	

This 90-year-old sewer transmission main runs through some of Camas' oldest neighborhoods and next to Historic Louis Bloch Park. The main has been the source of odor complaints for years. The project will route some system flow directly to the Wastewater Treatment Plant in order to reduce odors and remove the threat of wastewater overflow to the nearby Washougal River.

City of Camas		Domestic Water	
County	Clark	PWTF 2012 Construction Loan	\$2,040,000
Local Participation	15%	Other Funds	\$0
Estimated PWTF Interest Rate	0.5%	Local Reserves	\$360,000
<b>Estimated Total Project Budget</b>		<b><u>\$2,400,000</u></b>	

This water project in "Lacamas Heights" will provide storage to a remote area of the City that needs system improvements. By reducing pump sizes at two booster stations the City will also realize reduced energy costs. The project also provides Camas and Washougal the opportunity to collaborate on the purchase of land for the installation of water facilities for each city.

City of Castle Rock		Domestic Water	
County	Cowlitz	PWTF 2012 Construction Loan	\$460,750
Local Participation	5%	Other Funds	\$0
Estimated PWTF Interest Rate	2%	Local Reserves	\$24,250
<b>Estimated Total Project Budget</b>		<b><u>\$485,000</u></b>	

The City will coordinate with TIB to replace deteriorated asbestos cement water main and concrete and clay sewer mains while the project area is undergoing a roadway improvement project. By combining the City's project with TIB's roadway reconstruction, the need to trench into the new roadway to repair or replace these utilities is eliminated.

# Recommended 2013 Construction Projects

Clark Regional Wastewater District		Sanitary Sewer	
<b>County</b>	Clark	<b>PWTF 2012 Construction Loan</b>	\$10,000,000
<b>Local Participation</b>	58%	<b>Other Funds</b>	\$1,600,000
<b>Estimated PWTF Interest Rate</b>	0.5%	<b>Local Reserves</b>	\$14,400,000
<b>Estimated Total Project Budget</b>		<b><u>\$26,000,000</u></b>	

The Regional Wastewater District in conjunction with Ridgefield, Battle Ground, and Clark County is working to provide reliable long-term sewer capacity at affordable rates. This project is part of a regional conveyance system that moves local sewer flows to the county's Salmon Creek Treatment Plant.

Dallesport Water District		Domestic Water	
<b>County</b>	Klickitat	<b>PWTF 2012 Construction Loan</b>	\$183,184
<b>Local Participation</b>	5%	<b>Other Funds</b>	\$0
<b>Estimated PWTF Interest Rate</b>	2%	<b>Local Reserves</b>	\$9,641
<b>Estimated Total Project Budget</b>		<b><u>\$192,825</u></b>	

This small rural system is over 50-years-old with galvanized steel pipes; it has no storage, fire protection, or customer meters. The system has severely corroded and undersized waterlines that cause water quality problems, leakage, and the inability to provide fire flow. This project will replace the entire distribution system and install water storage.

East Wenatchee Water District		Domestic Water	
<b>County</b>	Douglas	<b>PWTF 2012 Construction Loan</b>	\$1,254,600
<b>Local Participation</b>	15%	<b>Other Funds</b>	\$0
<b>Estimated PWTF Interest Rate</b>	0.5%	<b>Local Reserves</b>	\$221,400
<b>Estimated Total Project Budget</b>		<b><u>\$1,476,000</u></b>	

The water main is in poor condition and undersized for current standards. The Water District will replace approximately 180 miles of pipe identified by the District in need of immediate attention. The project will be constructed jointly with county and city road improvements to minimize restoration costs.

East Wenatchee Water District		Domestic Water	
<b>County</b>	Douglas	<b>PWTF 2012 Construction Loan</b>	\$3,949,100
<b>Local Participation</b>	15%	<b>Other Funds</b>	\$0
<b>Estimated PWTF Interest Rate</b>	0.5%	<b>Local Reserves</b>	\$696,900
<b>Estimated Total Project Budget</b>		<b><u>\$4,646,000</u></b>	

The Water District will replace two partially buried concrete reservoirs, which require significant repairs to keep in service. Continued use of the reservoir could be a public health and safety risk. The proposed 2MG storage will provide sufficient fire flow and adequate water service in the event of a temporary supply failure.

# Recommended 2013 Construction Projects

City of Everett		Sanitary Sewer	
County	Snohomish	PWTF 2012 Construction Loan	\$10,000,000
Local Participation	82%	Other Funds	\$0
Estimated PWTF Interest Rate	0.5%	Local Reserves	\$46,000,000
<b>Estimated Total Project Budget</b>		<b><u>\$56,000,000</u></b>	

The Water Pollution Control Facility will be at full capacity by the close of 2011. This project constructs additions to the plant in order to manage the region's wastewater needs. In addition, the project will enable the City of Snohomish to send its flows to Everett and assist both communities in meeting their NPDES permit requirements.

City of Ferndale		Storm Water	
County	Whatcom	PWTF 2012 Construction Loan	\$1,710,000
Local Participation	5%	Other Funds	\$0
Estimated PWTF Interest Rate	2%	Local Reserves	\$90,000
<b>Estimated Total Project Budget</b>		<b><u>\$1,800,000</u></b>	

The City will construct the Southwest stormwater Management Facility to treat and detain runoff from two of the City's roadway projects. This stormwater pond will treat stormwater before releasing it into Schell Creek, thus improving water quality to meet required TMDL standards. The project will also improve salmon habitat by assuring flow control/erosion control to Schell Creek, which drains into the Lummi River and finally Lummi Bay.

City of Fife		Domestic Water	
County	Pierce	PWTF 2012 Construction Loan	\$594,000
Local Participation	10%	Other Funds	\$0
Estimated PWTF Interest Rate	1%	Local Reserves	\$66,000
<b>Estimated Total Project Budget</b>		<b><u>\$660,000</u></b>	

The City of Fife's existing wells have either diminished in production capacity or had arsenic levels above what is allowed by state law. In 2009, the City abandoned their last well and became 100% dependent on wholesale water from Tacoma. The City will purchase an existing groundwater well and the property where it is located. The new well can produce approximately 1,000 gallons per minute and will supply the City of Fife with 50% of the City's total future demand, reestablishing water independence from wholesale suppliers.

City of Fife		Domestic Water	
County	Pierce	PWTF 2012 Construction Loan	\$4,074,840
Local Participation	11%	Other Funds	\$0
Estimated PWTF Interest Rate	1%	Local Reserves	\$452,760
<b>Estimated Total Project Budget</b>		<b><u>\$4,527,600</u></b>	

Initial water quality testing of Fife's the new water source identified elevated levels of arsenic, iron, and manganese. This project will install a new pump and treatment facility that will remove the arsenic, iron, and manganese.

# Recommended 2013 Construction Projects

City of Gig Harbor		Sanitary Sewer	
County	Pierce	PWTF 2012 Construction Loan	\$5,950,000
Local Participation	15%	Other Funds	\$0
Estimated PWTF Interest Rate	0.5%	Local Reserves	\$1,050,000
<b>Estimated Total Project Budget</b>		<b><u>\$7,000,000</u></b>	

The City will design and construct Phase 2 Wastewater Treatment Plant improvements addressing required capacity expansion and improved treatment quality needs. This project is being done to comply with emerging regulatory requirements, meeting existing and anticipated NPDES Permits, and loading limits over the 20-year planning horizon. This is also a one-time economic opportunity to establish a Hospital Benefit Zone within the City.

City of Goldendale		Sanitary Sewer	
County	Klickitat	PWTF 2012 Construction Loan	\$2,608,740
Local Participation	10%	Other Funds	\$0
Estimated PWTF Interest Rate	1%	Local Reserves	\$289,860
<b>Estimated Total Project Budget</b>		<b><u>\$2,898,600</u></b>	

Goldendale has many existing sewer interceptors and side sewers that are over 60-year-old. Failures of these aging components contribute excessive amounts of infiltration and inflow into the sewer system. The City will replace these aging components along with the Mill Street Lift Station to improve system performance.

City of Granite Falls		Sanitary Sewer	
County	Snohomish	PWTF 2012 Construction Loan	\$893,636
Local Participation	9%	Other Funds	\$0
Estimated PWTF Interest Rate	2%	Local Reserves	\$89,364
<b>Estimated Total Project Budget</b>		<b><u>\$983,000</u></b>	

The wastewater treatment plant's electrical system is 30 years old and undersized. During a power failure, the system shuts down. This allows for the potential of an untreated discharge to the Pilchuck River. This project will update the electrical system and replace the generator so the City can ensure that it has system reliability and redundancy.

Highline Water District		Domestic Water	
County	King	PWTF 2012 Construction Loan	\$2,210,000
Local Participation	15%	Other Funds	\$0
Estimated PWTF Interest Rate	0.5%	Local Reserves	\$390,000
<b>Estimated Total Project Budget</b>		<b><u>\$2,600,00</u></b>	

On-going pipe breaks and leaks create a continued environmental hazard discharging chlorinated water to Angle Lake and damaging properties due to ruptures. This project will replace old, undersized asbestos cement water mains with new ductile iron pipe. The project includes adding pipeline looping to eliminate problems with dead end mains, improve water quality, and increase system reliability.

# Recommended 2013 Construction Projects

City of Hoquiam		Domestic Water	
County	Grays Harbor	PWTF 2012 Construction Loan	\$10,000,000
Local Participation	5%	Other Funds	\$0
Estimated PWTF Interest Rate	2%	Local Reserves	\$550,000
<b>Estimated Total Project Budget</b>		<b><u>\$10,550,000</u></b>	

The Hoquiam Water Transmission Pipeline was constructed in 1950 and has numerous joints and leaks that require significant on-going resources to repair. The City will replace 23% of the existing pipeline. This project will help the City maintain public health and economic opportunities while meeting Department of Health's drinking water requirements.

City of Ilwaco		Domestic Water	
County	Pacific	PWTF 2012 Construction Loan	\$889,865
Local Participation	5%	Other Funds	\$0
Estimated PWTF Interest Rate	2%	Local Reserves	\$46,835
<b>Estimated Total Project Budget</b>		<b><u>\$936,700</u></b>	

The City of Ilwaco will replace two conventional water treatment filter units with one up-flow clarifier water treatment filter unit. Operating two separate treatment processes increases the difficulty of producing potable water from the City's surface water source and creates added chemical and operational costs. This project will allow complete automation of the system, save operation, maintenance and chemical costs, and provide a water treatment system that meets Department of Health's requirements.

City of Ilwaco		Sanitary Sewer	
County	Pacific	PWTF 2012 Construction Loan	\$794,000
Local Participation	6%	Other Funds	\$47,773
Estimated PWTF Interest Rate	2%	Local Reserves	\$0
<b>Estimated Total Project Budget</b>		<b><u>\$841,773</u></b>	

This project will replace two deteriorated, asbestos concrete sanitary sewers lines along the Highway 101 corridor. An inspection of the sewer line identified areas of missing pipe and root intrusion. Additionally, all of the joints downstream of these lines are leaking and broken.

City of Ilwaco		Sanitary Sewer	
County	Pacific	PWTF 2012 Construction Loan	\$336,000
Local Participation	0%	Other Funds	\$0
Estimated PWTF Interest Rate	2%	Local Reserves	\$0
<b>Estimated Total Project Budget</b>		<b><u>\$336,000</u></b>	

A failing main will be moved to the uphill side of Nesadi Drive. The City currently replaces or repairs broken pipes pipe annually to eliminate sewage leaks. The project will result in a sewer main that no longer requires continual repair.

# Recommended 2013 Construction Projects

City of Kennewick		Domestic Water	
<b>County</b>	Benton	<b>PWTF 2012 Construction Loan</b>	\$4,250,000
<b>Local Participation</b>	15%	<b>Other Funds</b>	\$0
<b>Estimated PWTF Interest Rate</b>	0.5%	<b>Local Reserves</b>	\$750,000
<b>Estimated Total Project Budget</b>		<b><u>\$5,000,000</u></b>	

This project funds site preparation and construction of a new 3MG water reservoir. The project includes a booster pump station and connection to the Aquifer Storage & Recovery Project. The Project reduces withdrawals from the Columbia River during critical flow periods that affect survivability of threatened salmon species.

City of Kent		Domestic Water	
<b>County</b>	King	<b>PWTF 2012 Construction Loan</b>	\$2,000,000
<b>Local Participation</b>	47%	<b>Other Funds</b>	\$10,000,000
<b>Estimated PWTF Interest Rate</b>	0.5%	<b>Local Reserves</b>	\$10,825,000
<b>Estimated Total Project Budget</b>		<b><u>\$22,825,000</u></b>	

The project will construct a filter treatment plant with a peak capacity of 150 million gallons per day (MGD) on the Green River, with sedimentation sized for peak winter flows of 90 MGD. Lagoons for processing filter backwash water will also be constructed. Construction will include two clear-well reservoirs, a pump station, required power system improvements, large diameter transmission mains, valves, and related infrastructure to connect the new treatment facilities with the new clear-well reservoirs. This project is required to meet federal requirements for Cryptosporidium treatment under the Long Term 2 Enhanced Surface Water Treatment Rule. This project is a partnership between Kent, Tacoma, Lakehaven Utility District, and Covington Water District. The project budget reflects the approximate percentage of the project's budget for which Kent is responsible.

King County Water District #90		Domestic Water	
<b>County</b>	King	<b>PWTF 2012 Construction Loan</b>	\$195,000
<b>Local Participation</b>	11%	<b>Other Funds</b>	\$0
<b>Estimated PWTF Interest Rate</b>	1%	<b>Local Reserves</b>	\$25,000
<b>Estimated Total Project Budget</b>		<b><u>\$220,000</u></b>	

Due to past road improvements, the aging cast iron water supply pipe is now buried over eight feet in some locations. The pipe is susceptible to breakage due to loading and earth movement. The District will replace the cast iron water supply pipe and install a ductile iron pipe as part of an emergency water supply from the City of Renton water system to the District's Pump Station #1. The City of Renton is planning to replace the concrete paving during the winter/spring of 2012.



# Recommended 2013 Construction Projects

City of Kirkland		Sanitary Sewer	
County	King	PWTF 2012 Construction Loan	\$4,037,600
Local Participation	15%	Other Funds	\$0
Estimated PWTF Interest Rate	0.5%	Local Reserves	\$713,400
<b>Estimated Total Project Budget</b>		<b><u>\$4,751,000</u></b>	

The City will replace 1950's sewer pipe to eliminate structural deterioration, joint separations, root intrusion, and reduce Infiltration and Inflow. New pipe will improve effluent quality, reduce flood damage, and decrease threats to wildlife habitat.

Klickitat County Public Utility District #1		Domestic Water	
County	Klickitat	PWTF 2012 Construction Loan	\$500,500
Local Participation	15%	Other Funds	\$0
Estimated PWTF Interest Rate	0.5%	Local Reserves	\$88,324
<b>Estimated Total Project Budget</b>		<b><u>\$588,824</u></b>	

The City of Lyle has four water sources ranging from 18 to 80 years old. Two are contaminated, located near a railroad right-of-way and need to be abandoned; the other two have water rights and capacity issues. This project provides for a new water source, water rights, pipe to storage, and SCADA system.

Klickitat County Public Utility District #1		Domestic Water	
County	Klickitat	PWTF 2012 Construction Loan	\$300,000
Local Participation	15%	Other Funds	\$0
Estimated PWTF Interest Rate	0.5%	Local Reserves	\$52,941
<b>Estimated Total Project Budget</b>		<b><u>\$352,941</u></b>	

The City of Roosevelt's current well is the sole source of water for this small community. The well is 45+ years old and is reaching its maximum productive capacity with no backup source. The PUD will drill a new community well and construct a transmission line to the treatment plant reservoir.

Lake Forest Park Water District		Domestic Water	
County	King	PWTF 2012 Construction Loan	\$464,304
Local Participation	20%	Other Funds	\$0
Estimated PWTF Interest Rate	0.5%	Local Reserves	\$116,476
<b>Estimated Total Project Budget</b>		<b><u>\$580,780</u></b>	

The existing wood pump house that was built in 1927 will be replaced by a concrete and cinder block construction with space for transfer pumps, iron/arsenic removal, and ozone disinfection. Currently, water from the District is not chlorinated and may face the emerging requirements of the state's groundwater rule, WAC 246-290, making it critical to plan for and provide 4-log treatment of pathogens in the source water.

# Recommended 2013 Construction Projects

Lakewood Water District		Domestic Water	
<b>County</b>	Pierce	<b>PWTF 2012 Construction Loan</b>	\$776,900
<b>Local Participation</b>	15%	<b>Other Funds</b>	\$0
<b>Estimated PWTF Interest Rate</b>	0.5%	<b>Local Reserves</b>	\$137,100
<b>Estimated Total Project Budget</b>		<b><u>\$914,000</u></b>	

The current Springbrook water system is becoming less reliable due to the existing 45+ year old asbestos cement water mains. This project constructs a ductile iron water transmission main from the Ponders Well Site to the intersection of San Francisco Avenue and Bridgeport Way. This project will provide needed adequate utility services for the re-development of the Springbrook area.

City of Leavenworth		Domestic Water	
<b>County</b>	Chelan	<b>PWTF 2012 Construction Loan</b>	\$1,178,461
<b>Local Participation</b>	5%	<b>Other Funds</b>	\$0
<b>Estimated PWTF Interest Rate</b>	0.5%	<b>Local Reserves</b>	\$62,025
<b>Estimated Total Project Budget</b>		<b><u>\$1,240,486</u></b>	

This project consists of replacing water supply transmission mains, which date back as far as the 1930s. The new mains will provide adequate fire flows to the downtown district and east end of town.

City of Leavenworth		Storm Water	
<b>County</b>	Chelan	<b>PWTF 2012 Construction Loan</b>	\$1,189,925
<b>Local Participation</b>	5%	<b>Other Funds</b>	\$0
<b>Estimated PWTF Interest Rate</b>	0.5%	<b>Local Reserves</b>	\$62,630
<b>Estimated Total Project Budget</b>		<b><u>\$1,252,555</u></b>	

The Phase I project will address stormwater/utility improvements, stormwater collection, conveyance and treatment, undergrounding of electrical, upgrades to domestic water distribution, and upgrades to sanitary sewer collection. This project is also the first opportunity to assist with indirect measures to improve stormwater quality before it runs off to the Wenatchee River.

City of Mabton		Sanitary Sewer	
<b>County</b>	Yakima	<b>PWTF 2012 Construction Loan</b>	\$5,057,000
<b>Local Participation</b>	1%	<b>Other Funds</b>	\$635,000
<b>Estimated PWTF Interest Rate</b>	2%	<b>Local Reserves</b>	\$65,000
<b>Estimated Total Project Budget</b>		<b><u>\$5,757,000</u></b>	

In 2010, Mabton discharged 300,000 gallons of inadequately treated wastewater flow to the Yakima River due to equipment failure. Mabton's wastewater treatment facility improvements will allow the City to meet NPDES permit requirements, improve system reliability, and increase the capacity of the facility.

# Recommended 2013 Construction Projects

Mukilteo Water and Wastewater District		Sanitary Sewer	
County	Snohomish	PWTF 2012 Construction Loan	\$888,250
Local Participation	22%	Other Funds	\$0
Estimated PWTF Interest Rate	0.5%	Local Reserves	\$247,450
<b>Estimated Total Project Budget</b>		<b><u>\$1,135,700</u></b>	

The District's sewer outfall pipe is 42 years old and made of corrugated metal pipe. Part of the pipe is buried within the inter-tidal area and appears to have leaking joints. The remainder of the outfall pipe rests on the floor of the seabed. Inspections have shown the pipe on the seabed to be in poor condition with siltation, missing sections, and a large hole. Repairing the pipe with high density polyethylene pipe will avoid the release of treated effluent nearer inshore where juvenile Chinook salmon and steelhead generally travel and forage during migration.

Mukilteo Water and Wastewater District		Sanitary Sewer	
County	Snohomish	PWTF 2012 Construction Loan	\$1,950,000
Local Participation	15%	Other Funds	\$0
Estimated PWTF Interest Rate	0.5%	Local Reserves	\$350,000
<b>Estimated Total Project Budget</b>		<b><u>\$2,300,000</u></b>	

The District is a partner in this regional project to add improvements at Everett's Water Pollution Control Facility (WPCF). This effort includes Everett, Silver Lake Water & Sewer District, Alderwood Water & Wastewater District, and Mukilteo Water & Wastewater District. The project will enable the City of Snohomish to send flows to the WPCF and decommission the wastewater treatment plant currently operating under a consent decree from the Department of Ecology.

City of North Bend		Domestic Water	
County	King	PWTF 2012 Construction Loan	\$1,226,000
Local Participation	11%	Other Funds	\$0
Estimated PWTF Interest Rate	1%	Local Reserves	\$137,000
<b>Estimated Total Project Budget</b>		<b><u>\$1,363,000</u></b>	

The results of this line replacement project are improvements to the water system quality, capacity, reliability, fire flow, and include replacement of stream crossings. The line serves as both a local distribution line and a critical transmission line that connects the City's I-90 Reservoir to the rest of the system.

City of Orting		Storm Water	
County	Pierce	PWTF 2012 Construction Loan	\$4,000,000
Local Participation	21%	Other Funds	\$2,620,880
Estimated PWTF Interest Rate	0.5%	Local Reserves	\$1,756,180
<b>Estimated Total Project Budget</b>		<b><u>\$8,377,060</u></b>	

This project constructs a setback levee along the Puyallup River and includes the partial removal of the existing right bank levee as well as construction of stormwater drainage.

# Recommended 2013 Construction Projects

City of Pacific		Domestic Water	
<b>County</b>	King	<b>PWTF 2012 Construction Loan</b>	\$2,814,117
<b>Local Participation</b>	10%	<b>Other Funds</b>	\$0
<b>Estimated PWTF Interest Rate</b>	1%	<b>Local Reserves</b>	\$312,680
<b>Estimated Total Project Budget</b>		<b><u>\$3,126,797</u></b>	

This project will replace failing asbestos cement water mains with new ductile iron pipe. An automated intertie with the City of Sumner will be installed. Upgrading of the utility infrastructure prior to or in conjunction with the construction of Stewart and Valentine road projects provides savings potential in restoration costs for the City.

City of Port Townsend		Domestic Water	
<b>County</b>	Jefferson	<b>PWTF 2012 Construction Loan</b>	\$5,000,000
<b>Local Participation</b>	20%	<b>Other Funds</b>	\$1,896,493
<b>Estimated PWTF Interest Rate</b>	0.5%	<b>Local Reserves</b>	\$1,754,518
<b>Estimated Total Project Budget</b>		<b><u>\$8,651,011</u></b>	

The project will install a structure to house a UV disinfection treatment at the City's 5MG water storage facility site. This will bring the City into compliance with drinking water regulations by providing an appropriate treatment for Cryptosporidium, an intestinal parasite.

City of Port Townsend		Domestic Water	
<b>County</b>	Jefferson	<b>PWTF 2012 Construction Loan</b>	\$2,104,000
<b>Local Participation</b>	65%	<b>Other Funds</b>	\$0
<b>Estimated PWTF Interest Rate</b>	0.5%	<b>Local Reserves</b>	\$3,964,205
<b>Estimated Total Project Budget</b>		<b><u>\$6,068,205</u></b>	

The City will replace the current 5MG concrete storage reservoir, erected in 1979, with a steel 5MG storage reservoir. The new reservoir will protect the City's water from potential rainwater contamination issues and from damage in the event of an earthquake.

Silver Lake Water and Sewer District		Sanitary Sewer	
<b>County</b>	Snohomish	<b>PWTF 2012 Construction Loan</b>	\$7,810,000
<b>Local Participation</b>	15%	<b>Other Funds</b>	\$0
<b>Estimated PWTF Interest Rate</b>	0.5%	<b>Local Reserves</b>	\$1,380,000
<b>Estimated Total Project Budget</b>		<b><u>\$9,190,000</u></b>	

The District is a partner in this regional project to add improvements at Everett's Water Pollution Control Facility (WPCF). This effort will include Everett, Silver Lake Water & Sewer District, Alderwood Water & Wastewater District, and Mukilteo Water & Wastewater District. The project enables Snohomish to send flows to the WPCF and decommission the wastewater treatment plant currently operating under a consent decree from the Department of Ecology.

# Recommended 2013 Construction Projects

Skyway Water and Sewer District		Sanitary Sewer	
<b>County</b>	King	<b>PWTF 2012 Construction Loan</b>	\$1,916,495
<b>Local Participation</b>	15%	<b>Other Funds</b>	\$0
<b>Estimated PWTF Interest Rate</b>	0.5%	<b>Local Reserves</b>	\$338,205
<b>Estimated Total Project Budget</b>		<b><u>\$2,254,700</u></b>	

This project will consolidate three existing, aged, and inadequate sewer pump stations into a single new larger station. The District will install a sanitary sewer gravity main, a sanitary sewer force main, increase the capacity of a sewer pump station, and decommission two pump stations. This project will provide improved sewer system quality and reliability.

Skyway Water and Sewer District		Domestic Water	
<b>County</b>	King	<b>PWTF 2012 Construction Loan</b>	\$2,125,000
<b>Local Participation</b>	15%	<b>Other Funds</b>	\$0
<b>Estimated PWTF Interest Rate</b>	0.5%	<b>Local Reserves</b>	\$375,000
<b>Estimated Total Project Budget</b>		<b><u>\$2,500,000</u></b>	

This final phase of project will upgrade outdated and archaic ozone treatment facilities to meet federal and state potable water requirements. This project constructs a new water treatment facility to house the chlorination facilities, a pump station, a standby generator, and related equipment. The operations and control equipment will be linked to the system-wide telemetry system at the District's centralized O & M facility, maximizing the use the District's existing water rights.

City of Snohomish		Sanitary Sewer	
<b>County</b>	Snohomish	<b>PWTF 2012 Construction Loan</b>	\$10,000,000
<b>Local Participation</b>	51%	<b>Other Funds</b>	\$10,190,000
<b>Estimated PWTF Interest Rate</b>	0.5%	<b>Local Reserves</b>	\$20,810,000
<b>Estimated Total Project Budget</b>		<b><u>\$41,000,000</u></b>	

The Everett Conveyance Project will transfer wastewater from the City of Snohomish to the City of Everett's wastewater system for treatment at Everett's Water Pollution Control Facility. The project includes decommissioning and modifying facilities at the Snohomish Wastewater Treatment Plant, a new pump station, new force main, and associated permitting, and easement acquisition. The project is part of a regional effort that will enable the City of Snohomish to comply with a consent decree issued by the Department of Ecology.



# Recommended 2013 Construction Projects

City of Soap Lake		Sanitary Sewer	
County	Grant	PWTF 2012 Construction Loan	\$1,478,200
Local Participation	5%	Other Funds	\$24,000
Estimated PWTF Interest Rate	2%	Local Reserves	\$77,800
<b>Estimated Total Project Budget</b>		<b><u>\$1,580,000</u></b>	

The purpose of the project is to provide a safe and sanitary working environment for City staff and increase the reliability of the facility.

SunLand Water District		Sanitary Sewer	
County	Clallam	PWTF 2012 Construction Loan	\$2,173,600
Local Participation	7%	Other Funds	\$0
Estimated PWTF Interest Rate	2%	Local Reserves	\$169,291
<b>Estimated Total Project Budget</b>		<b><u>\$2,342,891</u></b>	

This project will produce Class A reclaimed water and biosolids. It will also rehabilitate an existing lagoon as directed by the Department of Ecology. Improvements include installation of UV disinfection, eliminating the use of chlorine gas, and installation of an alkaline stabilization biosolids treatment facility.

Trentwood Irrigation District #3		Domestic Water	
County	Spokane	PWTF 2012 Construction Loan	\$2,410,000
Local Participation	5%	Other Funds	\$0
Estimated PWTF Interest Rate	2%	Local Reserves	\$130,000
<b>Estimated Total Project Budget</b>		<b><u>\$2,540,000</u></b>	

This project replaces a 50 year old reservoir that is undersized and does not supply fire flow. The new reservoir resolves these.

City of Tukwila		Sanitary Sewer	
County	King	PWTF 2012 Construction Loan	\$750,000
Local Participation	25%	Other Funds	\$0
Estimated PWTF Interest Rate	0.5%	Local Reserves	\$250,000
<b>Estimated Total Project Budget</b>		<b><u>\$1,000,000</u></b>	

The original 1960s asbestos concrete sewers are at the end of their useful life. The City has experienced two major sewer line collapses in the last four years costing more than \$500,000 to repair. This project installs a new sanitary sewer manhole, relines the asbestos concrete sewer lines, and rehabilitates 10 existing manholes. The results of this project will resolve existing health and safety issues, reduce maintenance costs, and improve the reliability of the sanitary sewer system.

# Recommended 2013 Construction Projects

City of Waitsburg		Sanitary Sewer	
<b>County</b>	Walla Walla	<b>PWTF 2012 Construction Loan</b>	\$120,000
<b>Local Participation</b>	3%	<b>Other Funds</b>	\$0
<b>Estimated PWTF Interest Rate</b>	2%	<b>Local Reserves</b>	\$4,000
<b>Estimated Total Project Budget</b>		<b><u>\$124,000</u></b>	

The sewer line is more than 50 years past its service life expectancy. Sections of the sewer line have deteriorated and been invaded by tree roots. Past relining projects have uncovered sections of broken pipe that were already seeping sewage into the surrounding area. This project will reline the aging terra cotta clay sewer line with a PVC piping material.

City of Woodland		Sanitary Sewer	
<b>County</b>	Cowlitz	<b>PWTF 2012 Construction Loan</b>	\$4,750,000
<b>Local Participation</b>	5%	<b>Other Funds</b>	\$0
<b>Estimated PWTF Interest Rate</b>	2%	<b>Local Reserves</b>	\$250,000
<b>Estimated Total Project Budget</b>		<b><u>\$5,000,000</u></b>	

The failing 60-year-old sewer lines are putting an undue strain on the Wastewater Treatment Plant (WWTP). This project allows the City to design and construct replacement sewer line and water lines. Replacement of failing water lines along with failing sewer lines will improve the quality of flows to the WWTP while saving maintenance costs on repairing streets.

City of Woodland		Domestic Water	
<b>County</b>	Cowlitz	<b>PWTF 2012 Construction Loan</b>	\$1,995,000
<b>Local Participation</b>	5%	<b>Other Funds</b>	\$0
<b>Estimated PWTF Interest Rate</b>	2%	<b>Local Reserves</b>	\$105,000
<b>Estimated Total Project Budget</b>		<b><u>\$2,100,000</u></b>	

The City is currently unable to meet maximum day demands with their existing drinking water well and is in danger of violating Department of Health guidelines. This project develops a new well and constructs transmission pipe.

City of Yakima		Domestic Water	
<b>County</b>	Yakima	<b>PWTF 2012 Construction Loan</b>	\$5,000,000
<b>Local Participation</b>	52%	<b>Other Funds</b>	\$0
<b>Estimated PWTF Interest Rate</b>	0.5%	<b>Local Reserves</b>	\$5,481,250
<b>Estimated Total Project Budget</b>		<b><u>\$10,481,250</u></b>	

This project modernizes the existing metering system. Revenues will increase through more accurate meter reads thus enabling both the Water and Waste Water Divisions to protect public health and the environment. Upgrading the current metering system with a transmitter at each meter will allow for daily reading of the water meters.

# Recommended 2013 Construction Projects

City of Yakima		Sanitary Sewer	
<b>County</b>	Yakima	<b>PWTF 2012 Construction Loan</b>	\$2,000,000
<b>Local Participation</b>	39%	<b>Other Funds</b>	\$0
<b>Estimated PWTF Interest Rate</b>	0.5%	<b>Local Reserves</b>	\$1,300,000
<b>Estimated Total Project Budget</b>		<b><u>\$3,300,000</u></b>	

Currently, industrial wastewater flows from Del Monte Foods are processed with the domestic wastewater. These flows have high sugar content and require a high amount of aeration and digester capacity, taking up the capacity of the wastewater treatment plant to treat the domestic wastewater. Extending the existing industrial wastewater line opens up industrial development opportunities for the City of Yakima, brings in jobs, and improves the economy while allowing the City to capture and treat existing industrial users separate from the domestic sewer.



Del Monte Foods, Yakima WA courtesy of  
[http://www.ida.net/users/smknjoe/homepage/wpo\\_proto.htm](http://www.ida.net/users/smknjoe/homepage/wpo_proto.htm)

# SECTION 5

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# 2012 Funded Construction Loans

(Applicants and loan amounts as listed on LEAP Capital Doc. #2011-1D)

Applicant	Project Name	Loan Amount	Total Project Cost	County	Client Type	Project Type
Airway Heights	Reclaimed Water Recovery Well	\$759,000	\$842,900	Spokane	City	Water
Almira	Water System Improvements Project	\$750,000	\$750,000	Lincoln	City	Water
Anacortes	Water Treatment Plant Upgrade	\$10,000,000	\$73,324,193	Skagit	City	Water
Auburn	M Street SE Grade Separation	\$6,800,000	\$22,310,000	King	City	Road
Birch Bay Water and Sewer District	Wastewater Treatment Plant Headworks Upgrade	\$1,700,000	\$2,000,000	Whatcom	W/S Dist	Sewer
Bonney Lake	Sumner/Bonney Lake Wastewater Treatment Plant Upgrade	\$4,728,000	\$11,125,000	Pierce	City	Sewer
Bothell	Bothell Crossroads (SR 522 Realignment)	\$8,000,000	\$55,417,000	King	City	Road
Bridgeport	Wastewater Treatment Plant Upgrades	\$5,000,000	\$5,000,000	Douglas	City	Sewer
Camas	NW 38th Avenue Street Improvements, Phase I	\$2,600,000	\$3,200,000	Clark	City	Road
Chelan	Phase II WWTF Improvements & South Shore Collection Rehabilitation	\$10,000,000	\$10,000,000	Chelan	City	Sewer
Chelan County PUD 1	Wenatchee Water System Improvements	\$2,454,000	\$2,886,586	Chelan	PUD	Water
Clallam County PUD 1	Carlsborg Wastewater Treatment and Water Reuse	\$10,000,000	\$14,825,200	Clallam	PUD	Sewer
Clark County	I-5/ Salmon Creek Interchange Project	\$10,000,000	\$130,000,000	Clark	County	Road
Clark Public Utilities	Improvement of Clark Public Utilities Water System	\$9,575,000	\$11,796,000	Clark	PUD	Water
Clarkston	Wastewater Treatment Improvement Project	\$10,000,000	\$12,500,000	Asotin	City	Sewer
Connell	Klindworth/Campbell Water Efficiency Project	\$1,359,000	\$1,998,800	Franklin	City	Water

# 2012 Funded Construction Loans

(Applicants and loan amounts as listed on LEAP Capital Doc. #2011-1D)

Applicant	Project Name	Loan Amount	Total Project Cost	County	Client Type	Project Type
Covington Water District	Green River Filtration Treatment Plant	\$10,000,000	\$200,000,000	King	W/S Dist	Water
Cowlitz County	Toutle Sewer Lift Station Rehabilitation Project	\$595,000	\$700,000	Cowlitz	County	Sewer
Cowlitz County PUD 1	Water System Pump Station Upgrades	\$654,000	\$1,137,810	Cowlitz	PUD	Sewer
Cross Valley Water District	Lowell-Larimer Road Water Supply Project (Phase 2)	\$842,000	\$1,107,700	Snohomish	W/S Dist	Water
Dallesport Water District	2011 Water System Improvement Project	\$896,000	\$996,726	Klickitat	W/S Dist	Water
Edgewood	Jovita Blvd. Realignment Project	\$500,000	\$3,109,198	Pierce	City	Road
Ephrata	Citywide Water/Roadway Improvements - Phase IV	\$2,720,000	\$3,200,000	Grant	City	Water
Fircrest	Relocation of Backyard Sewer Mains Project	\$3,000,000	\$12,941,180	Pierce	City	Sewer
Grays Harbor County	Pacific Beach/Moclips Wastewater Treatment Plant Expansion	\$3,600,000	\$4,600,000	Grays Harbor	County	Sewer
Hatton	Water System Improvements	Withdrew from consideration		Adams	City	Water
Hunters Water District	Water Supply Improvements Project	\$479,000	\$1,619,720	Stevens	W/S Dist	Water
Jefferson County	Port Hadlock Wastewater System	\$10,000,000	\$27,935,000	Jefferson	County	Sewer
Kent	Tacoma Second Supply Filtration Plant	\$8,000,000	\$200,000,000	King	City	Water
King County	Ballard Siphon Replacement	\$10,000,000	\$47,877,500	King	County	Sewer
Kitsap County	Central Kitsap Wastewater Treatment Plant Headwork	Withdrew from consideration		Kitsap	County	Sewer
Kitsap County	Techite Force Main Replacement	\$5,205,000	\$7,250,000	Kitsap	County	Sewer
Lake Stevens Sewer District	Sunnyside WWTF Project	Withdrew from consideration		Snohomish	W/S Dist	Sewer

# 2012 Funded Construction Loans

(Applicants and loan amounts as listed on LEAP Capital Doc. #2011-1D)

Applicant	Project Name	Loan Amount	Total Project Cost	County	Client Type	Project Type
Lakehaven Utility District	Green River Water Treatment Plant Filtration Facility	\$10,000,000	\$170,000,000	King	W/S Dist	Water
Lakewood	American Lake Gardens/ Tillicum-Side Sewer Connection	\$500,000	\$1,150,000	Pierce	City	Sewer
Lakewood Water District	Wholesale Booster Pump Station	\$800,000	\$1,300,000	Pierce	W/S Dist	Water
Lind	Sewer System Improvements	\$300,000	\$2,893,320	Adams	City	Sewer
Longview	Mint Farm Regional Water Supply Project	\$10,000,000	\$35,487,000	Cowlitz	City	Water
LOTT Alliance	Budd Inlet Treatment Plant Primary Sedimentation Basins Project	\$10,000,000	\$38,045,237	Thurston	Quasi-Muni	Sewer
Lynden	Water Treatment Plant Replacement	\$9,200,000	\$23,857,780	Whatcom	City	Water
Lynden	Kok Road Bridge Replacement and Sewer Pump Station 2 Relocation	\$800,000	\$2,931,149	Whatcom	City	Bridge
Manchester Water District	Banner Road Tank & Transmission Main	\$2,228,000	\$2,345,600	Kitsap	W/S Dist	Water
Mason County PUD 1	Hood Canal A and B Intertie	\$472,000	\$555,000	Mason	PUD	Water
McCleary	Well 2 and 3 Improvements	\$1,548,000	\$1,669,000	Grays Harbor	City	Water
Northshore Utility District	Sewage Lift Station No. 10 Abandonment & Gravity Sewer Bypass	\$3,105,000	\$3,888,923	King	W/S Dist	Sewer
Oak Harbor	42-Inch Outfall Reconstruction Project	\$1,600,000	\$1,907,437	Island	City	Storm
Omak	Sewer System Improvements - Phase I & 2	\$7,000,000	\$9,658,733	Okanogan	City	Sewer
Pierce County	112 Street East - Woodland Avenue East to 86 Ave	\$6,250,000	\$9,950,000	Pierce	County	Road
Point Roberts Water District No 4	2010 Water Main Replacement	\$567,000	\$630,000	Whatcom	W/S Dist	Water
Port Ludlow Drainage Dist	Rainier to Oak Bay Greenbelt Drainage Improvements	\$666,000	\$859,000	Jefferson	Drainage Dist	Storm

# 2012 Funded Construction Loans

(Applicants and loan amounts as listed on LEAP Capital Doc. #2011-1D)

Applicant	Project Name	Loan Amount	Total Project Cost	County	Client Type	Project Type
Port Townsend	City Lake Repair Project	\$1,000,000	\$2,405,278	Jefferson	City	Water
Port Townsend	Mandated LT2ESWTR Treatment Project	\$1,896,000	\$2,231,165	Jefferson	City	Water
Prosser	Wastewater Treatment Facility Improvements	\$4,175,000	\$6,725,000	Benton	City	Sewer
Pullman	Wastewater Treatment Plant Secondary Process Improv.	Withdrew from consideration		Whitman	City	Sewer
Redmond	161st Ave. NE Extension (Redmond Central Square)	\$4,430,000	\$7,833,610	King	City	Road
Ridgefield	Ridgefield Regional Trunkline and Pump Station	\$10,000,000	\$20,786,376	Clark	City	Sewer
Sacheen Lake Water & Sewer District	Sacheen Lake Sewer Collection and Treatment System	\$8,580,000	\$8,580,000	Pend Oreille	W/S Dist	Sewer
Seattle	Midvale Storm Water Facility	\$4,000,000	\$8,231,000	King	City	Storm
Seattle	Airport Way Over Argo Bridge Reconstruction	\$6,000,000	\$31,072,444	King	City	Bridge
Silver Lake Water and Sewer District	Lift Station Improvements	\$1,859,000	\$3,135,882	Snohomish	W/S Dist	Sewer
Silverdale Water District 16	Water Quality Improvements - 2011	\$10,000,000	\$11,765,000	Kitsap	W/S Dist	Water
Skagit County PUD 1	Josh Wilson Road 18" Water Transmission Line	\$4,687,000	\$6,263,572	Skagit	PUD	Water
Snoqualmie	Kimball Creek Lift Station Third Pump Installation	\$679,000	\$860,000	King	City	Sewer
Spokane	CSO Basins 38, 39, & 40 Abatement Facility	\$2,000,000	\$5,684,000	Spokane	City	Storm
Spokane	CSO Basins 6 Abatement Facility	\$5,692,000	\$9,100,000	Spokane	City	Storm
Spokane County	Regional Water Reclamation Facility	Withdrew from consideration		Spokane	County	Sewer
Sumner	Sumner/Bonney Lake Wastewater Treatment Plant Upgrade	\$4,728,000	\$11,125,000	Pierce	City	Sewer

# 2012 Funded Construction Loans

(Applicants and loan amounts as listed on LEAP Capital Doc. #2011-1D)

Applicant	Project Name	Loan Amount	Total Project Cost	County	Client Type	Project Type
Tacoma	Green River Water Treatment Plant Filtration Facility	\$10,000,000	\$200,000,000	Pierce	City	Water
Toledo	Wastewater Treatment Facility Upgrade	\$9,172,000	\$9,264,000	Lewis	City	Sewer
Twisp	Water System Improvements	Withdrew from consideration		Okanogan	City	Water
Twisp	Biosolids Handling Solution	Withdrew from consideration		Okanogan	City	Sewer
Valley View Sewer District	Roseberg Interceptor and South 133rd Sewer Rehab	\$1,950,000	\$2,294,118	King	W/S Dist	Sewer
Washougal	Pump Station 2 & 3 Improvements	\$996,000	\$1,172,000	Clark	City	Sewer
Washougal	Westside Wellfield Disinfection Improvements	\$243,000	\$287,000	Clark	City	Water
Wenatchee	WWTP Headworks Improvements	\$1,870,000	\$2,200,000	Chelan	City	Sewer
Wenatchee	Squilchuck Lift Station Replacement	\$765,000	\$900,000	Chelan	City	Sewer
Wenatchee	Chatham Hill Sewer	\$1,955,000	\$2,300,000	Chelan	City	Sewer
West Richland	Intertie Booster Pump Station	\$850,000	\$1,000,000	Benton	City	Water
West Richland	Industrial Process Water Treatment Facility	\$2,000,000	\$2,400,000	Benton	City	Sewer
West Sound Utility District 1	Firmont Beach Water System Replacement	\$458,000	\$550,700	Kitsap	W/S Dist	Water
Whitworth Water District 2	Big Meadows-Woolard Road 16" Main	\$3,196,000	\$3,760,100	Spokane	W/S Dist	Water
Wilkeson	Water Source Rehabilitation	\$208,000	\$218,465	Pierce	City	Water
Yakima	Wastewater Upgrades	\$5,000,000	\$8,292,116	Yakima	City	Sewer

**Total Loan Amount Requested:  
\$323,641,000**

**Total Project costs:  
\$1,548,015,518**

# 2012 Funded Construction Projects Update

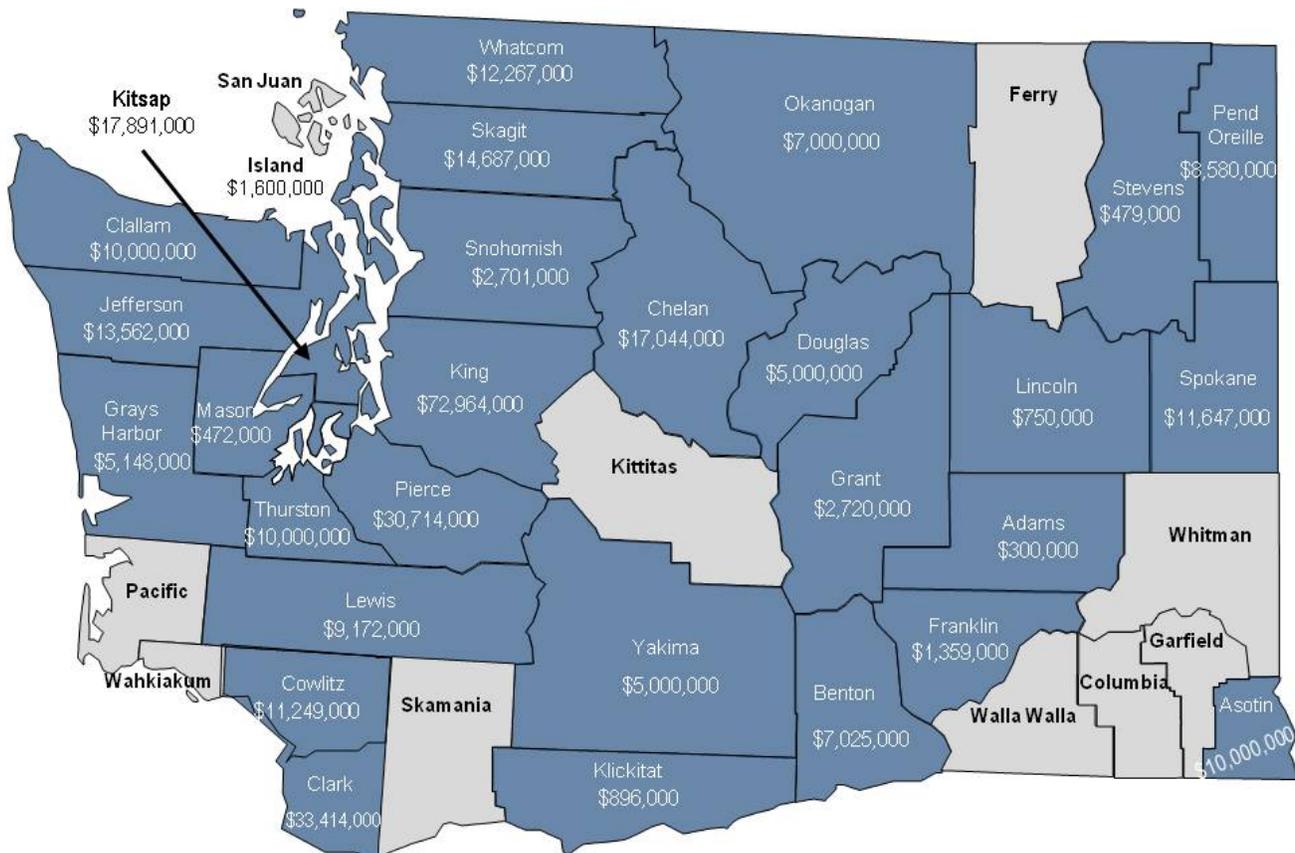
On November 1, 2010, the Board submitted a list of 83 projects from 73 jurisdictions to the 2011 Legislature. Due in no small part to the competing demands for funds created by the sluggish economy, the 2011 Legislature thoroughly examined the projects submitted for funding. RCW 43.155.070(7) authorizes the Legislature to remove projects from the Board's submitted list.

The Board worked closely with the Legislature and funding partners, the Departments of Ecology, Health, and Transportation, in order to efficiently distribute all available resources to meet local governments' infrastructure needs. As a result of this collaboration, the Board's 2012 PWTF Construction Loan list transformed.

The resulting list for \$323.6 million was incorporated into the 2011-2013 Capital Budget, ESHB 1497, Section 1021, Item 1. A community declined their loan offer, so the final project list consists of 76 projects in 68 communities. This is the first time in the history of the Board, that the Construction Loan list was not passed as a stand alone bill.

ESHB 1497, Section 1021, Item 2, requires that all projects involving repair, replacement, or improvement of a wastewater treatment plant or other public works facility undertake an investment grade efficiency audit if energy savings are obtainable. This requirement applies to recipients of a 2012 Public Works Trust Fund (PWTF) Construction Loan list and applicants for the 2013 PWTF Construction Loan list. More detailed information regarding investment grade efficiency audits appears earlier in this publication.

## 2012 Project Investments by County



# Statistics for 2012 Funded Construction Projects

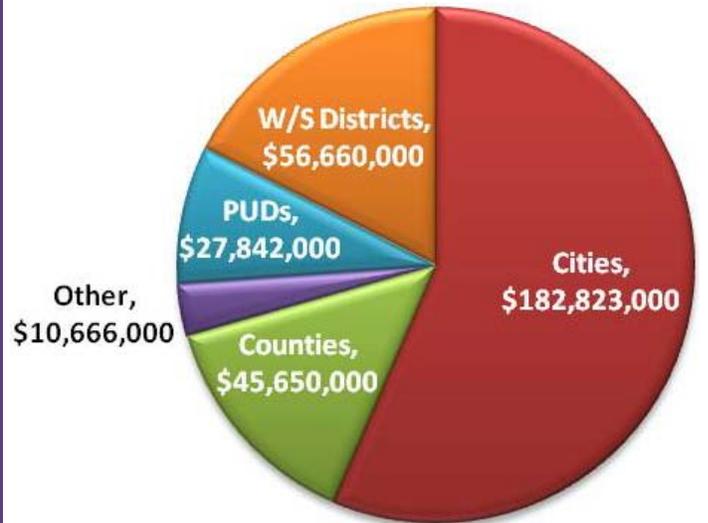
## Distribution of Funds by System Type

Statewide: \$323,641,000

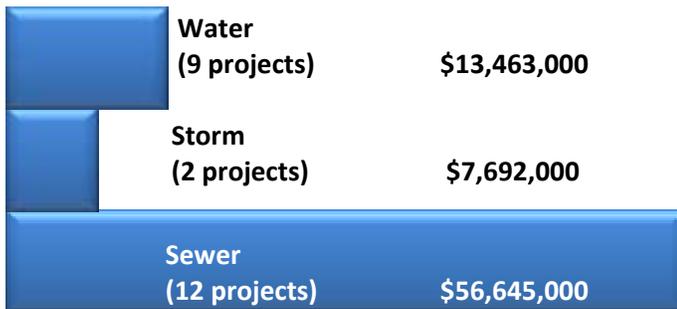


## Distribution of Funds by Client Type

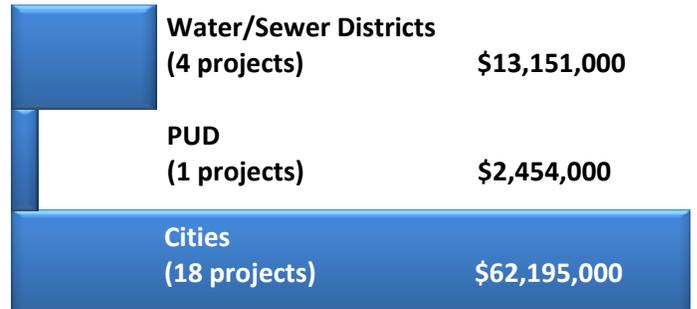
Statewide: \$323,641,000



Eastside: 29%



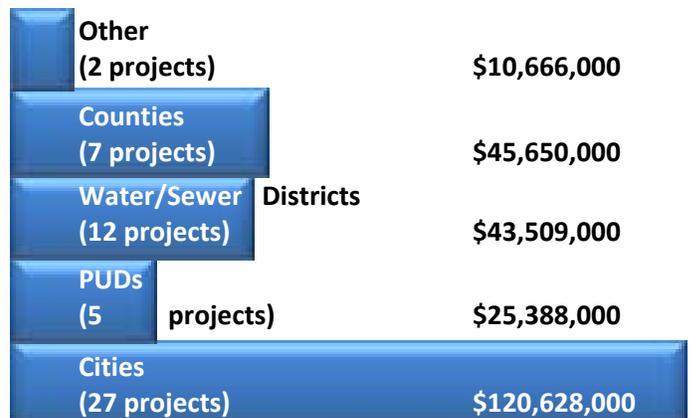
Eastside: 29%



Westside: 71%



Westside: 71%

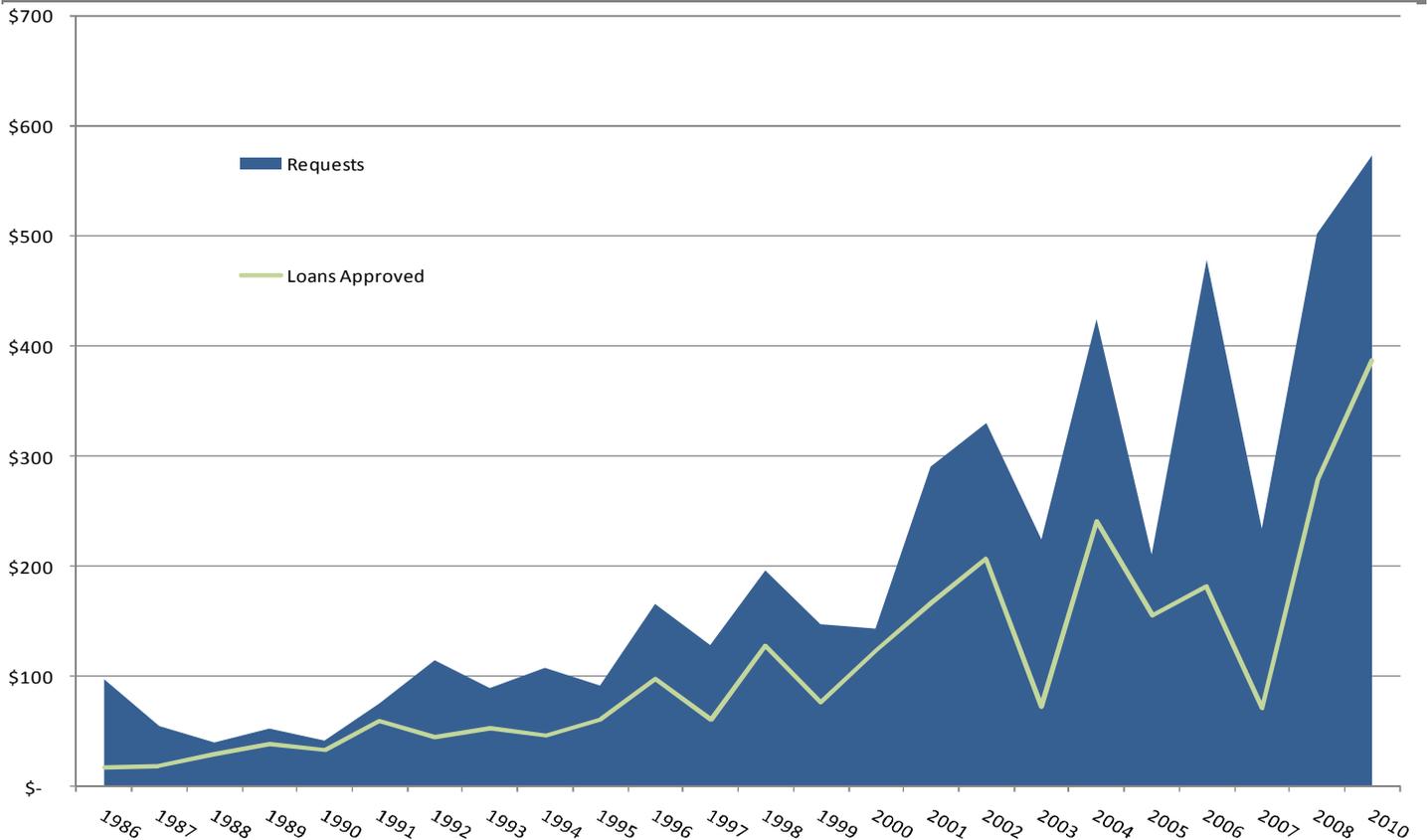


# 2012 Funded Construction Projects Update

Estimated Gross Impacts Over the Life of the Public Works Trust Fund  
(In Millions of Dollars and FTEs)

	86-87	88-89	90-91	92-93	94-95	96-97	98-99	00-01	02-03	04-05	06-07	07-08	09-10	2010-2011
<b>Total Project Costs</b>	\$45	\$83	\$82	\$78	\$86	\$105	\$143	\$473	\$313	\$763	\$613	\$899	Revenues Redirected to the General Fund	<b>\$970 Million</b>
<b>Jobs</b>	446	822	812	772	851	1,040	1,416	4,683	3,099	7,554	6,069	8,900		<u>9,603</u>

## Public Works Trust Fund Loans Requested and Approved (In Millions)



# Section 6

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# Technical Assistance To Local Governments

## Overview

The Board recognizes the value of technical assistance to local governments as a key element in its overall assistance strategy. The Board currently has six staff engaged in the Board’s Technical Assistance Investment Strategy (TAIS) by assisting clients in three ways:

### Program Technical Assistance

**Program Technical Assistance** connects local governments with the Board’s financing opportunities. This type of assistance enables potential applicants and borrowers to access information and other assistance that helps them to meet program funding requirements.

### Financial Capacity Assistance

**Financial Capacity Assistance** helps communities to develop strategies promoting self-reliance through the establishment of appropriate rate structures and other financial tools. Over time, these additional revenue streams allow communities putting in new systems to “save for the future” to meet repair needs, upgrades, and eventual replacement. This assistance is becoming more important as local governments find their budgets—and revenues—becoming more difficult to manage.

### Project Technical Assistance

**Project Technical Assistance** aids communities with identification of project-funding strategies and plans to overcome barriers that may prevent an infrastructure project from being successfully developed. Project technical assistance is provided through a number of formats. The most common form of assistance is the use of technical assistance teams (commonly referred to as “tech teams”). Other methods include workshops, helping with project scoping and management, and the assembling of technical resources to troubleshoot issues.

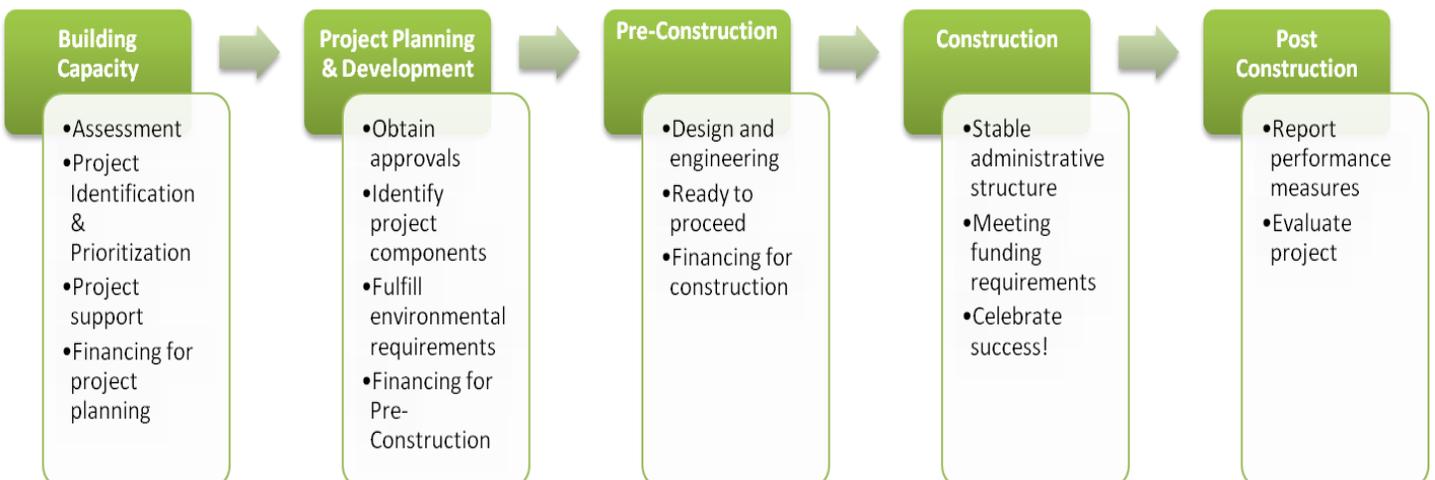
### Authorizing Environment:

RCW 43.155.040(2) The Board may . . . Provide technical assistance to local governments;

### RCW 43.155.020(8)

“Technical assistance” means training and other services provided to the local governments to: (a) Help such local governments plan, apply, and qualify for loans and financing guarantees from the board, and (b) help local governments improve their ability to plan for, finance, acquire, construct, repair, replace, rehabilitate, and maintain public facilities.

## Project Development Continuum



# TAIS - Case Studies

## Hunters Water District - Arsenic Mitigation Project

Hunters Water District has completed the first phase of water system improvements that include the construction of an arsenic treatment facility and replacement of a portion of the asbestos cement water main in the distribution piping. The District, located in Stevens County, had a Bilateral Compliance Agreement with the Department of Health that stipulated Arsenic levels in the drinking water must be reduced to compliance levels for the safety, health, and welfare of the community. This project, financed with DWSRF ARRA funds, constructed treatment facilities to bring the system into drinking water compliance.

Technical assistance from the Public Works Board, with collaboration from multiple funding and regulatory agencies, led to the District applying for and receiving funds from both the Community Development Block Grant (CDBG) General Purpose Grant program and the Public Works Trust Fund Loan program to replace the remaining distribution line and install a new well. Completion of these tasks will satisfy the requirements of the Bilateral Compliance Agreement.



## Soap Lake - Wastewater Treatment Facility Improvements

In December 2010, Public Works Board staff facilitated a tech team for the city of Soap Lake. The team developed a strategy to secure funding for improvements to the wastewater

treatment facility. Issues with the facility include lack of influent screening and grit removal, unsanitary Return Activated Sludge (RAS) pump operation, poorly settling sludge, and the lack of a backup power source. Moreover, because the wasted biosolids are not adequately digested, odors are

a significant problem when the biosolids are moved to the sludge drying beds. The estimated cost of repairs is \$1.5 million.

Participants in the tech team included City staff, planners, the consulting engineer, and staff from USDA Rural Development as well as the Departments of Ecology and

Commerce. The group determined that the city should focus on having a wastewater facilities plan in place as the project's first step. The City applied for, and received, a \$24,000 CDBG Planning-Only grant to plan for the wastewater treatment facility improvements. In August 2011, the Public Works Board



included Soap Lake's project, for \$1.4 million, on its loan list recommendation to the Legislature.

# TAIS - Case Studies cont.

## Springdale—Water Quality Improvements

The Town of Springdale, located in Stevens County, is a small community of less than 300 residents. The Town has been struggling for several years to keep its failing system functioning, and to comply with state and federal requirements and finance infrastructures for its water system. To assist complying with Federal and state regulations, the Town was awarded a \$4 million Drinking Water State Revolving Fund loan. Half of the loan will be forgiven at project completion. The Town requested technical assistance from the Public Works Board for help to develop a rate structure sufficient to finance the annual repayment, while building operating and capital reserves for sustaining and operating the system. This will allow the Town to continue to operate the water system based on established state and federal standards. The rate study was completed by the Public Works Board staff early in 2011. The Town then adopted an ordinance for a new rate structure based on the rate study.

The water system is currently in the design phase, and is scheduled to start construction next year. Once the project is complete, the improvements will provide reliable and safe drinking water to the constituents of the Town of Springdale.

### *What is a Tech Team?*

Tech Teams assist a community to find potential funding sources or resolve issues preventing a specific infrastructure project from progressing.

Teams of experts from funding, regulatory, and other assistance organizations meet with proponents of a community's project to identify the particular problem (or opportunity). The group then identifies pathways to resolve the problem.

For less complex projects, a tech team may only meet once. When complex projects are being developed, a tech team may meet several times to resolve issues as the projects progress. The end result of most tech team collaborations is the establishment of a work plan for the community, which includes clearly identified roles, responsibilities, and timeframes.

Tech Teams are a creation of the Infrastructure Assistance Coordinating Council (IACC). Over the years, they have shown to be exceptionally effective in removing project barriers and identifying funding strategies.



Technical assistance team meeting to help Curlew Water and Sewer District.

# Section 7

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# Drinking Water State Revolving Fund

## Traditional DWSRF Program

The United States Congress created the Drinking Water State Revolving Fund (DWSRF) in 1996 when it reauthorized the Safe Drinking Water Act (SDWA). Each year through this program, the U.S. Environmental Protection Agency (EPA) awards a capitalization grant to states for a capital construction loan program. The goal of the program is to provide low-interest loans to local governments and privately-owned water systems for capital improvements that increase public health protection and compliance with drinking water regulations.

Washington state's DWSRF Program is jointly managed by the Department of Health's Office of Drinking Water (DOH), the Public Works Board (Board), and the Department of Commerce's Contract Administration Unit (CAU) as follows:

DOH is responsible for advertising loan availability, providing planning and financial technical assistance to systems, receiving and scoring the applications. Applications received each year are scored and ranked by DOH according to specific public health and safety criteria. Projects that address severe public health threats and compliance issues are given funding priority through the approval process.

Board staff provides assistance to jurisdictions after they apply for, and prior to receiving a DWSRF loan. Board staff is responsible for interpreting the DWSRF state and federal requirements; negotiating a final scope of work; creating contract documents for signature; and executing the contract. The Board staff also conducts reviews of applicant finances and project readiness to proceed.

CAU staff manages project loans by processing loan draws, preparing annual billing statements, and helping jurisdictions to understand the DWSRF contract requirements.

### Eligible Activities

- Address existing water system problems that may cause a drinking water system to exceed health standards, as defined by the SDWA;
- Replace aging infrastructure to maintain compliance with the SDWA;
- Acquire real property needed to meet or maintain compliance with the SDWA;
- Fund reservoirs, distribution of finished water or clear wells that are part of a treatment process;
- Creation of new "Group A" water systems through consolidation of other Group "A" and "B" systems;
- Pay planning and design costs directly related to DWSRF eligible projects; and
- Assure the security of water systems.

### Annual DWSRF loan limits

- \$6 million per jurisdiction, or
- \$12 million for projects that involve multiple systems participating in a project with shared facilities.



# Drinking Water State Revolving Fund cont.

## Application cycle

Applications are available each year in January, and are due to the DOH on March 1<sup>st</sup>. DOH staff reviews each application for eligibility and develops a list of priority projects based on public health need, SDWA compliance, and affordability.

Board staff will review each application to determine ability to repay a loan, readiness-to-proceed with the project, and ability to complete the project on time. Applicants unable to meet these standards may be removed from funding consideration. The Board will offer the DWSRF loans in priority order, as funds allow.

DOH will submit the annual Intended Use Plan to EPA for their approval, which includes the list of priority projects as established by DOH and the Board.

## Program Funding

Washington state has received DWSRF funds from the EPA for federal fiscal years 1997-2010. The 20% state match required for federal funds is provided from the Public Works Assistance Account. Combining federal and state matching funds, Washington approved loans totaling:

1997	\$19.1 million
1998	\$16.4 million
1999	\$20.6 million
2000	\$29.4 million
2001	\$20.2 million
2002	\$35.3 million
2003	\$30.7 million
2004	\$39.5 million
2005	\$25.5 million
2006	\$28.1 million
2007	\$48.4 million
2008	\$39.8 million
2009	\$41.8 million—DWSRF American Recovery and Reinvestment Act of 2009 (ARRA)*
2010	\$72.5 million
2011	\$69.1 million



This year the DWSRF program received 43 eligible applications requesting approximately \$71 million. DOH is recommending 38 projects requesting \$68.9 million for funding.

## Affordability Criteria

Affordability criteria is used to determine the loan interest rate and the percent of principal forgiveness for applicants during the 2011 loan cycle. The affordability index (AI) measures the burden of costs passed from the drinking water system to the users against the median household income (MHI) for the area. The percentage of principal forgiveness subsidy will be distributed among the qualifying projects with the highest score on the funding list, as well as restructuring projects, and will take effect at project completion. Over 33%, approximately \$7.9 million, of the capitalization grant will be applied toward this subsidy.

# Drinking Water State Revolving Fund cont.

## Washington's Long-Term Goals

- Maintain the economic viability of the DWSRF program to meet current and projected needs in Washington state.
- Provide loans and technical assistance to community and nonprofit, non-community water systems to facilitate effective planning, design, financing, and construction of improvements aimed at increasing public health protection and compliance with Primary Drinking Water Regulations.
- Ensure adequate resources to provide long-term administration of the DWSRF Program.

## Short-Term Goals:

- Provide at least 15% of the funds to systems serving fewer than 10,000 people.
- Provide assistance to communities to strengthen local capacity.
- Provide at least 30% of the 2010 Capitalization Grant as loan subsidy to eligible recipients.
- Provide at least 20% of the 2010 Capitalization Grant to projects that address green infrastructure, water or energy efficiency improvements, or other environmentally innovative activities.



## **The DWSRF ARRA Program**

Washington state received a \$41,806,000 capitalization grant for its DWSRF under the American Recovery and Reinvestment Act (ARRA) of 2009. The ARRA program was expedited, therefore, the state decided to delay implementing its 2009 Traditional DWSRF program until 2010. The DWSRF ARRA was a federal infrastructure loan program designed to assist publicly owned (municipal) and privately owned (non-municipal) drinking water systems with low-interest construction loan funding. The main goals of the DWSRF ARRA program were to:

- Provide loans to water systems for capital improvements that increase public health protection and compliance with drinking water regulations;
- Protect the health of the people of Washington state by guaranteeing safe and reliable drinking water;
- Fund eligible projects that simultaneously created jobs, promoted economic recovery, and generated long-term benefits from infrastructure investment;
- Enter into binding commitments for projects that proceeded to construction by February 17, 2010;
- Provided at least 50% of its funding in the form of additional subsidies (e.g., loan forgiveness); and
- Provided no less than 20% of the funds for projects that implement water, energy, or green efficiency.

Special requirements for the DWSRF ARRA Program included compliance with Davis Bacon/Prevailing Wage provision; American Iron, Steel, and Manufactured Goods provisions; Disadvantage Business Enterprise and Section 1512; Reports on Use of Funds of Transparency and Oversight.



# Section 8

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# Measures of Fiscal Capacity

The provisions of RCW 43.155.070 direct the Public Works Board to include a prioritized list of projects and measures of fiscal capacity for each jurisdiction recommended for funding in the report. These measures are to be compared to authorized limits. The measures required by law are local government sales taxes, real estate excise taxes, property taxes, and charges for, or taxes on, sewer, water, garbage, and other utilities. A discussion of these measures is presented below, followed by tables listing the jurisdictions' current information and authorized limits.

## **Local Option Sale Tax (LOST) and Real Estate Excise Tax (REET)**

LOST and REET are linked at the local level and must be discussed together. LOST is composed of two one-half (0.5%) of one percent (1%) increments. Counties and cities may levy the first increment at their own discretion. However, if a jurisdiction levies the second increment of the LOST then it may not levy the one-half percent of the REET.

REET is comprised of three increments. The first increment is the one-quarter (0.25%) of one percent (1.0%) dedicated to capital purposes. A county or city must impose this increment in order to apply for a Public Works Trust Fund loan. The second increment is the one-quarter (0.25%) of one percent (1.0%) authorized for jurisdictions planning under the Growth Management Act. The third increment, one-half (0.5%) of one percent (1.0%), may be imposed if the jurisdiction has not imposed any part of the second increment of the sales tax. The following tables illustrate how the jurisdictions recommended by the Public Works Board for the 2012 Construction Loan list have levied these taxes.

## **Property Taxes**

Local property taxes are limited both constitutionally and statutorily. The current and maximum non-voter approved property tax for each jurisdiction recommended for funding is found in the following tables. Taxing limits in this category have been achieved by forty jurisdictions. There is also a limit on the annual increase in property tax levies. All but eight jurisdictions have imposed the full 101 percent increase allowed by law. NOTE: All figures listed as provided by the jurisdictions.

## **Utility Taxes/Fees**

Cities may levy taxes and/or fees on utility services. Counties are not authorized to levy such taxes, but may impose fees when a utility uses or crosses county property. Utility taxes may be levied on water, sewer, garbage collection, telephone, natural gas, electricity, and cable television.

Taxes are limited to six percent (6.0%) on telephone, electricity, and natural gas. It should be noted that utility taxes accrue to the municipality's general fund, rather than to utility enterprise funds.

## **Utility Rates**

Water and sewer rates are reported for jurisdictions that have a water or sewer project on the recommended 2012 PWTF Construction loan list. For evaluation and reporting purposes, rates were standardized to a single-family residence using 1,000 cubic feet per month.

Since utility rates are not limited by the state statute and system costs vary considerably as a result of factors beyond the control of local officials. Comparing rates with a statewide average, or with one another, will provide little insight into the quality of a jurisdiction's fiscal management system.

# LOST and REET

## Local Option Sales Tax (LOST) and Real Estate Excise Tax (REET) for counties and cities with projects recommended for financing.

<u>Jurisdiction</u>	<u>Project Type</u>	<u>LOST</u>	<u>REET</u>	<u>Remaining Authority</u>
Asotin County	Solid Waste/Recycle	1.00%	0.25%	0.50%
Auburn	Water	1.00%	0.50%	0.00%
Bainbridge Island	Sewer	0.00%	0.50%	0.00%
Blaine	Sewer & Storm	0.50%	0.50%	0.00%
Bothell	Storm	0.85%	0.50%	0.00%
Buckley	Water	1.00%	0.50%	0.00%
Camas	Water & Sewer	1.00%	0.50%	0.00%
Castle Rock	Water	0.50%	0.50%	0.00%
Everett	Sewer	0.85%	0.25%	0.25%
Ferndale	Storm	1.00%	0.50%	0.00%
Fife	Water	0.00%	0.50%	0.50%
Gig Harbor	Sewer	1.00%	1.78%	0.78%
Goldendale	Sewer	0.50%	0.25%	0.00%
Granite Falls	Sewer	1.00%	0.50%	0.00%
Hoquiam	Water	1.00%	0.25%	0.00%
Ilwaco	Water & Sewer	1.00%	0.25%	0.00%
Kennewick	Water	0.43%	0.50%	0.00%
Kent	Water	0.85%	0.50%	0.65%
Kirkland	Sewer	0.85%	0.50%	0.00%
Leavenworth	Water & Storm	1.00%	0.50%	0.00%
Mabton	Sewer	0.00%	0.50%	0.00%
North Bend	Water	1.00%	0.50%	0.00%
Orting	Storm	2.30%	0.50%	0.00%
Pacific	Water	1.00%	0.50%	0.30%
Port Townsend	Water	0.85%	0.50%	0.00%
Snohomish	Sewer	1.00%	0.50%	0.00%
Soap Lake	Sewer	0.00%	0.25%	1.00%
Tukwila	Sewer	0.85%	0.50%	0.00%
Waitsburg	Sewer	-	0.50%	0.50%
Woodland	Water & Sewer	1.10%	0.50%	0.50%
Yakima	Water & Sewer	0.20%	0.50%	0.60%
Statutory Maximum		1.00%	1.00%	

# Property Taxes Per \$1,000 Valuation

Current and maximum property taxes per \$1,000 valuation for counties and cities with projects recommended for financing.

<u>Jurisdiction</u>	<u>Project Type</u>	<u>Current Property Tax*</u>	<u>Maximum Property Tax**</u>	<u>Imposed the full 101% increase allowed by law?</u>
Asotin County	Solid Waste/Recycle	\$ 1.12	\$ -	Y
Auburn	Water	\$ 1.93	\$ 2.10	Y
Bainbridge Island	Sewer	\$ 1.16	\$ 2.35	Y
Blaine	Sewer & Storm	\$ 1.33	\$ 3.60	N
Bothell	Storm	\$ 1.40	\$ 3.60	N
Buckley	Water	\$ 1.98	\$ 3.10	Y
Camas	Water & Sewer	\$ 4.20	\$ 3.60	N
Castle Rock	Water	\$ 2.91	\$ 3.10	Y
Everett	Sewer	\$ 2.61	\$ 2.61	Y
Ferndale	Storm	\$ 1.98	\$ 3.60	N
Fife	Water	\$ 1.32	\$ 3.60	N
Gig Harbor	Sewer	\$ 8.92	\$ 1.60	N
Goldendale	Sewer	\$ 3.10	\$ 3.10	Y
Granite Falls	Sewer	\$ 1.42	\$ 1.42	Y
Hoquiam	Water	\$ 3.27	\$ 3.60	Y
Ilwaco	Water & Sewer	\$ 1.61	\$ 3.26	Y
Kennewick	Water	\$ 2.23	\$ 3.10	Y
Kent	Water	\$ 2.36	\$ 2.36	Y
Kirkland	Sewer	\$ 1.39	\$ 3.10	Y
Leavenworth	Water & Storm	\$ 3.14	\$ 3.60	Y
Mabton	Sewer	\$ 3.21	\$ 1.50	Y
North Bend	Water	\$ 1.52	\$ 3.38	N
Orting	Storm	\$ 1.33	\$ 1.68	Y
Pacific	Water	\$ 1.44	\$ 2.38	Y
Port Townsend	Water	\$ 2.04	\$ 3.60	Y
Snohomish	Sewer	\$ 3.60	\$ 3.60	N
Soap Lake	Sewer	\$ 2.02	\$ 3.60	Y
Tukwila	Sewer	\$ 2.83	\$ 3.10	Y
Waitsburg	Sewer	\$ 2.44	\$ 3.38	Y
Woodland	Water & Sewer	\$ 1.94	\$ 3.10	Y
Yakima	Water & Sewer	\$ 2.97	\$ 3.10	Y

\*Includes voter approved overrides

\*\*Maximum of non-voter approved levy

# Utility Taxes and Fees

Utility taxes and fees for counties and cities with projects recommended for financing.

<u>Jurisdiction</u>	<u>Electric</u>	<u>Natural Gas</u>	<u>Telephone</u>	<u>Cable TV</u>	<u>Water</u>	<u>Sewer</u>	<u>Storm</u>	<u>Solid Waste/ Recycle</u>
Asotin County	N/A	N/A	N/A	N/A	N/A	N/A	\$5/ERU	N/A
Auburn	6.0%	6.0%	6.0%	1.0%	7.0%	7.0%	7.0%	7.0%
Bainbridge Island	6.0%	0.0%	6.0%	6.0%	6.0%	6.0%	6.0%	5.0%
Blaine	6.0%	6.0%	6.0%	1.0%	9.0%	9.0%	9.0%	0.0%
Bothell	6.0%	6.0%	6.0%	6.0%	5.0%	5.0%	0.0%	5.0%
Buckley	6.0%	6.0%	6.0%	4.0%	10.0%	10.0%	10.0%	10.0%
Camas	0.0%	3.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Castle Rock	6.0%	6.0%	6.0%	3.0%	6.0%	6.0%	6.0%	3.0%
Everett	4.5%	4.5%	4.5%	5.0%	6.0%	6.0%	6.0%	0.0%
Ferndale	6.0%	6.0%	6.0%	6.0%	6.5%	6.5%	6.5%	11.0%
Fife	3.0%	4.5%	4.5%	5.0%	4.5%	4.5%	0.0%	0.0%
Gig Harbor	5.0%	5.0%	5.0%	0.0%	5.0%	5.0%	5.0%	0.0%
Goldendale	6.0%	6.0%	6.0%	4.0%	6.0%	6.0%	0.0%	0.0%
Granite Falls	6.0%	6.0%	6.0%	5.0%	12.0%	12.0%	0.0%	5.0%
Hoquiam	6.0%	6.0%	6.0%	8.0%	8.0%	8.0%	8.0%	8.0%
Ilwaco	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
Kennewick	8.5%	8.5%	8.5%	7.0%	6.5%	6.5%	1.0%	7.0%
Kent	6.0%	6.0%	6.0%	5.0%	N/A	N/A	\$10.06	\$16.45
Kirkland	6.0%	6.0%	6.0%	6.0%	13.4%	10.5%	7.5%	10.5%
Leavenworth	N/A	N/A	6.0%	10.0%	10.0%	10.0%	N/A	10.0%
Mabton	6.0%	6.0%	6.0%	6.0%	20.0%	20.0%	0.0%	20.0%
North Bend	6.0%	6.0%	6.0%	5.0%	6.0%	6.0%	0.0%	6.0%
Orting	6.0%	6.0%	6.0%	6.0%	0.0%	0.0%	0.0%	0.0%
Pacific	6.0%	6.0%	6.0%	6.0%	5.0%	3.9%	0.0%	3.6%
Port Townsend	6.0%	N/A	6.0%	N/A	20.0%	20.0%	20.0%	20.0%
Snohomish	6.0%	6.0%	6.0%	6.0%	5.3%	5.3%	0.0%	5.3%
Soap Lake	N/A	N/A	6.0%	5.0%	15.0%	15.0%	N/A	15.0%
Tukwila	6.0%	6.0%	6.0%	6.0%	10.0%	10.0%	10.0%	6.0%
Waitsburg	5.0%	0.0%	6.0%	6.0%	0.0%	0.0%	0.0%	0.0%
Woodland	6.0%	6.0%	6.0%	5.0%	0.0%	0.0%	0.0%	0.0%
Yakima	6.0%	6.0%	6.0%	6.0%	14.0%	14.0%	0.0%	9.0%

# Water and Sewer Rates

Water and sewer rates for domestic water and sanitary sewer recommended projects

<u>Jurisdiction</u>	<u>Project Type</u>	<u>Water Rate per 1,000 CF</u>	<u>Sewer Rate</u>
Asotin County	Solid Waste/Recycle	N/A	N/A
Auburn	Water	\$21.98	\$13.36
Bainbridge Island	Sewer	\$64.98	\$42.69
Belfair Water District 1	Water	\$80.00	N/A
Birch Bay Water & Sewer District	Water	\$19.51	\$21.18
Blaine	Sewer & Storm	\$2.36	\$90.25
Bothell	Storm	\$36.74	\$54.27
Buckley	Water	\$19.60	\$72.11
Camas	Water & Sewer	\$13.80	\$30.20
Castle Rock	Water	\$68.00	\$93.60
Clark Regional Wastewater District	Sewer	N/A	\$34.00
Dallesport Water District	Water	\$32.00	N/A
East Wenatchee Water District	Water	\$28.10	N/A
Everett	Water & Sewer	\$25.10	\$32.30
Ferndale	Storm	\$31.70	\$51.00
Fife	Water	\$25.14	\$42.01
Gig Harbor	Sewer	\$19.69	\$39.07
Goldendale	Sewer	\$34.78	\$31.50
Granite Falls	Sewer	\$20.67	\$50.00
Highline Water District	Water	\$44.95	N/A
Hoquiam	Water	\$23.14	\$35.78
Ilwaco	Water & Sewer	\$54.20	\$64.50
Kennewick	Water	\$10.73	\$19.50
Kent	Water	\$28.50	\$52.46
King County WD #90	Water	\$26.35	N/A
Kirkland	Water	\$47.84	\$74.20
Klickitat County PUD #1	Water	\$21.74	\$31.83
Lake Forest Park Water District	Water	\$30.00	N/A
Lakewood Water District	Water	\$21.68	N/A
Leavenworth	Water & Storm	\$23.94	\$48.00

# Water and Sewer Rates

Water and sewer rates for domestic water and sanitary sewer recommended projects

<u>Jurisdiction</u>	<u>Project Type</u>	<u>Water Rate per 1,000 CF</u>	<u>Sewer Rate</u>
Mabton	Sewer	\$27.87	\$37.06
Mukilteo Water and WW	Sewer	\$21.25	\$36.93
North Bend	Water	\$40.63	\$78.47
Orting	Water	\$28.40	\$37.94
Pacific	Water	\$34.25	\$49.15
Port Townsend	Water	\$2.05	\$34.70
Silver Lake Water & Sewer District	Sewer	\$23.30	\$47.50
Skyway Water and Sewer District	Water & Sewer	\$46.32	\$61.15
Snohomish	Sewer	\$61.08	\$142.08
Soap Lake	Sewer	\$28.43	\$33.70
SunLand Water District	Sewer	\$30.00	\$59.00
Trentwood Irrigation District	Water	\$5.97	N/A
Tukwila	Sewer	\$38.90	\$52.16
Waitsburg	Sewer	\$33.87	\$50.75
Woodland	Water & Sewer	\$42.84	\$67.55
Yakima	Water & Sewer	\$19.92	\$40.69



# Section 9

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# Enabling Legislation for the Public Works Trust Fund

Chapter 43.155 RCW  
Public works projects  
Chapter Listing | RCW Dispositions

## RCW Sections

- 43.155.010 Legislative findings and policy.
- 43.155.020 Definitions.
- 43.155.030 Public works board created.
- 43.155.040 General powers of the board.
- 43.155.050 Public works assistance account.
- 43.155.055 Water storage projects and water systems facilities subaccount.
- 43.155.060 Public works financing powers -- Competitive bids on projects.
- 43.155.065 Emergency public works projects.
- 43.155.068 Loans for preconstruction activities.
- 43.155.070 Eligibility, priority, limitations, and exceptions.
- 43.155.075 Loans for public works projects -- Statement of environmental benefits -- Development of outcome-focused performance measures.
- 43.155.080 Records and audits.
- 43.155.090 Loan agreements.
- 43.155.100 Water conservation account.
- 43.155.110 Puget Sound partners.
- 43.155.120 Administering funds -- Preference to an evergreen community.

### **43.155.010**

Legislative findings and policy.  
The legislature finds that there exists in the state of Washington over four billion dollars worth of critical projects for the planning, acquisition, construction, repair, replacement, rehabilitation, or improvement of streets and roads, bridges, water systems, and storm and sanitary sewage systems. The December, 1983 Washington state public works report prepared by the planning and community affairs agency documented that local governments expect to be capable of financing over two billion dollars worth of the costs of those critical projects but will not be able to fund nearly half of the documented needs.

The legislature further finds that Washington's local governments have unmet financial needs for solid waste disposal, including recycling, and encourages the board to make an equitable geographic distribution of the funds.

It is the policy of the state of Washington to encourage self-reliance by local governments in meeting their public

works needs and to assist in the financing of critical public works projects by making loans, financing guarantees, and technical assistance available to local governments for these projects.  
[1996 c 168 § 1; 1985 c 446 § 7.]

### **43.155.020**

Definitions.  
Unless the context clearly requires otherwise, the definitions in this section shall apply throughout this chapter.

(1) "Board" means the public works board created in RCW 43.155.030.

(2) "Capital facility plan" means a capital facility plan required by the growth management act under chapter 36.70A RCW or, for local governments not fully planning under the growth management act, a plan required by the public works board.

(3) "Department" means the department of commerce.

(4) "Financing guarantees" means the pledge of money in the public works assistance account, or money to be received by the public works assistance account, to the repayment of all or a portion of the principal of or interest on obligations issued by local governments to finance public works projects.

(5) "Local governments" means cities, towns, counties, special purpose districts, and any other municipal corporations or quasi-municipal corporations in the state excluding school districts and port districts.

(6) "Public works project" means a project of a local government for the planning, acquisition, construction, repair, reconstruction, replacement, rehabilitation, or improvement of streets and roads, bridges, water systems, or storm and sanitary sewage systems and solid waste facilities, including recycling facilities. A planning project may include the compilation of biological, hydrological, or other data on a county, drainage basin, or region necessary to develop a base of information for a capital facility plan.

(7) "Solid waste or recycling project" means remedial actions necessary to bring abandoned or closed landfills into compliance with regulatory requirements and the repair, restoration, and replacement of existing solid waste transfer, recycling facilities, and landfill projects

# Enabling Legislation for the Public Works Trust Fund

limited to the opening of landfill cells that are in existing and permitted landfills.

(8) "Technical assistance" means training and other services provided to local governments to: (a) Help such local governments plan, apply, and qualify for loans and financing guarantees from the board, and (b) help local governments improve their ability to plan for, finance, acquire, construct, repair, replace, rehabilitate, and maintain public facilities.

[2009 c 565 § 33; 2001 c 131 § 1; 1996 c 168 § 2; 1995 c 399 § 85; 1985 c 446 § 8.]

## **43.155.030**

Public works board created.

(1) The public works board is hereby created.

(2) The board shall be composed of thirteen members appointed by the governor for terms of four years, except that five members initially shall be appointed for terms of two years. The board shall include: (a) Three members, two of whom shall be elected officials and one shall be a public works manager, appointed from a list of at least six persons nominated by the association of Washington cities or its successor; (b) three members, two of whom shall be elected officials and one shall be a public works manager, appointed from a list of at least six persons nominated by the Washington state association of counties or its successor; (c) three members appointed from a list of at least six persons nominated jointly by the Washington public utility districts association and a state association of water-sewer districts, or their successors; and (d) four members appointed from the general public. In appointing the four general public members, the governor shall endeavor to balance the geographical composition of the board and to include members with special expertise in relevant fields such as public finance, architecture and civil engineering, and public works construction. The governor shall appoint one of the general public members of the board as chair. The term of the chair shall coincide with the term of the governor.

(3) Staff support to the board shall be provided by the department.

(4) Members of the board shall receive no compensation but shall be reimbursed for travel expenses under RCW 43.03.050 and 43.03.060.

(5) If a vacancy on the board occurs by death, resignation, or otherwise, the governor shall fill the vacant

position for the unexpired term. Each vacancy in a position appointed from lists provided by the associations under subsection (2) of this section shall be filled from a list of at least three persons nominated by the relevant association or associations. Any members of the board, appointive or otherwise, may be removed by the governor for cause in accordance with RCW 43.06.070 and 43.06.080.

[1999 c 153 § 58; 1985 c 446 § 9.]

Notes:

Part headings not law -- 1999 c 153: See note following RCW 57.04.050.

## **43.155.040**

General powers of the board.

The board may:

(1) Accept from any state or federal agency, loans or grants for the planning or financing of any public works project and enter into agreements with any such agency concerning the loans or grants;

(2) Provide technical assistance to local governments;

(3) Accept any gifts, grants, or loans of funds, property, or financial or other aid in any form from any other source on any terms and conditions which are not in conflict with this chapter;

(4) Adopt rules under chapter 34.05 RCW as necessary to carry out the purposes of this chapter;

(5) Do all acts and things necessary or convenient to carry out the powers expressly granted or implied under this chapter.

[1985 c 446 § 10.]

## **43.155.050**

Public works assistance account. (Expires June 30, 2011.)

\*\*\* CHANGE IN 2010 \*\*\* (SEE 2836-S.SL) \*\*\*

\*\*\* CHANGE IN 2010 \*\*\* (SEE 6444-S.SL) \*\*\*

(1) The public works assistance account is hereby established in the state treasury. Money may be placed in the public works assistance account from the proceeds of bonds when authorized by the legislature or from any other lawful source. Money in the public works assistance account shall be used to make loans and to give financial guarantees to local governments for public works projects. Moneys in the account may also be appropriated to

# Enabling Legislation for the Public Works Trust Fund

provide for state match requirements under federal law for projects and activities conducted and financed by the board under the drinking water assistance account. Not more than fifteen percent of the biennial capital budget appropriation to the public works board from this account may be expended or obligated for preconstruction loans, emergency loans, or loans for capital facility planning under this chapter; of this amount, not more than ten percent of the biennial capital budget appropriation may be expended for emergency loans and not more than one percent of the biennial capital budget appropriation may be expended for capital facility planning loans. During the 2009-2011 fiscal biennium, the legislature may transfer from the public works assistance account to the general fund and the city-county assistance account such amounts as reflect the excess fund balance of the account.

(2) The job development fund is hereby established in the state treasury. Moneys in the job development fund may be spent only after appropriation.  
[2009 c 564 § 940; 2008 c 328 § 6002; 2007 c 520 § 6036. Prior: 2005 c 488 § 925; 2005 c 425 § 4; 2001 c 131 § 2; prior: 1995 2nd sp.s. c 18 § 918; 1995 c 376 § 11; 1993 sp.s. c 24 § 921; 1985 c 471 § 8.]

Notes:

Expiration date -- 2009 c 564 § 940: "Section 940 of this act expires June 30, 2011." [2009 c 564 § 962.]

Effective date -- 2009 c 564: See note following RCW 2.68.020.

Expiration date -- 2008 c 328 § 6002: "Section 6002 of this act expires June 30, 2011." [2008 c 328 § 6018.]

Part headings not law -- 2008 c 328: "Part headings in this act are not any part of the law." [2008 c 328 § 6020.]  
Severability -- 2008 c 328: "If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected." [2008 c 328 § 6021.]

Effective date -- 2008 c 328: "This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately [April 1, 2008]." [2008 c 328 § 6022.]

Expiration date -- 2007 c 520 § 6036: "Section 6036 of this act expires June 30, 2011." [2007 c 520 § 6039.]

Part headings not law -- Severability -- Effective dates -- 2007 c 520: See notes following RCW 43.19.125.

Part headings not law -- Severability--Effective dates-- 2005 c 488: See notes following RCW 28B.50.360.

Finding -- 2005 c 425: "The legislature has and continues to recognize the vital importance of economic

development to the health and prosperity of Washington state as indicated in RCW 43.160.010, 43.155.070(4)(g), 43.163.005, and 43.168.010. The legislature finds that current economic development programs and funding, which are primarily low-interest loan programs, can be enhanced by creating a grant program to assist with public infrastructure projects that directly stimulate community and economic development by supporting the creation of new jobs or the retention of existing jobs." [2005 c 425 § 1.]

Expiration date -- 2005 c 425: "This act expires June 30, 2011." [2005 c 425 § 6.]

Severability -- 2005 c 425: "If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected." [2005 c 425 § 7.]

Severability -- Effective date -- 1995 2nd sp.s. c 18: See notes following RCW 19.118.110.

Findings -- 1995 c 376: See note following RCW 70.116.060.

Severability -- Effective dates -- 1993 sp.s. c 24: See notes following RCW 28A.310.020.

Severability -- Effective date -- 1985 c 471: See notes following RCW 82.04.260.

## **43.155.055**

Water storage projects and water systems facilities subaccount.

(1) A subaccount is created in the public works assistance account to receive money to fund the following projects:  
(a) Water storage projects; and (b) water systems facilities.

(2) The projects listed in subsection (1) of this section must comply with the competitive bid requirements of RCW 43.155.060.

(3) The subaccount created in subsection (1) of this section shall receive amounts appropriated to it for purposes of distributing these moneys as grants for water storage projects and water systems facilities projects as provided in the appropriation and this section. This subaccount shall be administered by the board and shall be separate from the other programs managed by the board under this chapter.

(4) The subaccount created in this section shall be known as the water storage projects and water systems facilities subaccount of the public works assistance account.  
[2003 c 330 § 1.]

# Enabling Legislation for the Public Works Trust Fund

## **43.155.060**

Public works financing powers — Competitive bids on projects.

In order to aid the financing of public works projects, the board may:

(1) Make low-interest or interest-free loans to local governments from the public works assistance account or other funds and accounts for the purpose of assisting local governments in financing public works projects. The board may require such terms and conditions and may charge such rates of interest on its loans as it deems necessary or convenient to carry out the purposes of this chapter. Money received from local governments in repayment of loans made under this section shall be paid into the public works assistance account for uses consistent with this chapter.

(2) Pledge money in the public works assistance account, or money to be received by the public works assistance account, to the repayment of all or a portion of the principal of or interest on obligations issued by local governments to finance public works projects. The board shall not pledge any amount greater than the sum of money in the public works assistance account plus money to be received from the payment of the debt service on loans made from that account, nor shall the board pledge the faith and credit or the taxing power of the state or any agency or subdivision thereof to the repayment of obligations issued by any local government.

(3) Create such subaccounts in the public works assistance account as the board deems necessary to carry out the purposes of this chapter.

(4) Provide a method for the allocation of loans and financing guarantees and the provision of technical assistance under this chapter.

All local public works projects aided in whole or in part under the provisions of this chapter shall be put out for competitive bids, except for emergency public works under RCW 43.155.065 for which the recipient jurisdiction shall comply with this requirement to the extent feasible and practicable. The competitive bids called for shall be administered in the same manner as all other public works projects put out for competitive bidding by the local governmental entity aided under this chapter.

[1988 c 93 § 2; 1985 c 446 § 11.]

## **43.155.065**

Emergency public works projects.

The board may make low-interest or interest-free loans to

local governments for emergency public works projects. Emergency public works projects shall include the construction, repair, reconstruction, replacement, rehabilitation, or improvement of a public water system that is in violation of health and safety standards and is being operated by a local government on a temporary basis. The loans may be used to help fund all or part of an emergency public works project less any reimbursement from any of the following sources: (1) Federal disaster or emergency funds, including funds from the federal emergency management agency; (2) state disaster or emergency funds; (3) insurance settlements; or (4) litigation.

[2001 c 131 § 3; 1990 c 133 § 7; 1988 c 93 § 1.]

Notes:

Findings -- Severability -- 1990 c 133: See notes following RCW 36.94.140.

## **43.155.068**

Loans for preconstruction activities.

(1) The board may make low-interest or interest-free loans to local governments for preconstruction activities on public works projects before the legislature approves the construction phase of the project. Preconstruction activities include design, engineering, bid-document preparation, environmental studies, right-of-way acquisition, and other preliminary phases of public works projects as determined by the board. The purpose of the loans authorized in this section is to accelerate the completion of public works projects by allowing preconstruction activities to be performed before the approval of the construction phase of the project by the legislature.

(2) Projects receiving loans for preconstruction activities under this section must be evaluated using the priority process and factors in \*RCW 43.155.070(2). The receipt of a loan for preconstruction activities does not ensure the receipt of a construction loan for the project under this chapter. Construction loans for projects receiving a loan for preconstruction activities under this section are subject to legislative approval under \*RCW 43.155.070 (4) and (5). The board shall adopt a single application process for local governments seeking both a loan for preconstruction activities under this section and a construction loan for the project.

[2001 c 131 § 4; 1995 c 363 § 2.]

Notes:

\*Reviser's note: RCW 43.155.070 was amended by 1999 c 164 § 602, changing subsections (2), (4), and (5) to subsections (4), (6), and (7), respectively.

# Enabling Legislation for the Public Works Trust Fund

Finding -- Purpose -- 1995 c 363: "The legislature finds that there continues to exist a great need for capital projects to plan, acquire, design, construct, and repair local government streets, roads, bridges, water systems, and storm and sanitary sewage systems. It is the purpose of this act to accelerate the construction of these projects under the public works assistance program." [1995 c 363 § 1.]

## **43.155.070**

Eligibility, priority, limitations, and exceptions.

(1) To qualify for loans or pledges under this chapter the board must determine that a local government meets all of the following conditions:

(a) The city or county must be imposing a tax under chapter 82.46 RCW at a rate of at least one-quarter of one percent;

(b) The local government must have developed a capital facility plan; and

(c) The local government must be using all local revenue sources which are reasonably available for funding public works, taking into consideration local employment and economic factors.

(2) Except where necessary to address a public health need or substantial environmental degradation, a county, city, or town planning under RCW 36.70A.040 must have adopted a comprehensive plan, including a capital facilities plan element, and development regulations as required by RCW 36.70A.040. This subsection does not require any county, city, or town planning under RCW 36.70A.040 to adopt a comprehensive plan or development regulations before requesting or receiving a loan or loan guarantee under this chapter if such request is made before the expiration of the time periods specified in RCW 36.70A.040. A county, city, or town planning under RCW 36.70A.040 which has not adopted a comprehensive plan and development regulations within the time periods specified in RCW 36.70A.040 is not prohibited from receiving a loan or loan guarantee under this chapter if the comprehensive plan and development regulations are adopted as required by RCW 36.70A.040 before submitting a request for a loan or loan guarantee.

(3) In considering awarding loans for public facilities to special districts requesting funding for a proposed facility located in a county, city, or town planning under RCW 36.70A.040, the board shall consider whether the county, city, or town planning under RCW 36.70A.040 in whose

planning jurisdiction the proposed facility is located has adopted a comprehensive plan and development regulations as required by RCW 36.70A.040.

(4) The board shall develop a priority process for public works projects as provided in this section. The intent of the priority process is to maximize the value of public works projects accomplished with assistance under this chapter. The board shall attempt to assure a geographical balance in assigning priorities to projects. The board shall consider at least the following factors in assigning a priority to a project:

(a) Whether the local government receiving assistance has experienced severe fiscal distress resulting from natural disaster or emergency public works needs;

(b) Except as otherwise conditioned by RCW 43.155.110, whether the entity receiving assistance is a Puget Sound partner, as defined in RCW 90.71.010;

(c) Whether the project is referenced in the action agenda developed by the Puget Sound partnership under RCW 90.71.310;

(d) Whether the project is critical in nature and would affect the health and safety of a great number of citizens;

(e) Whether the applicant has developed and adhered to guidelines regarding its permitting process for those applying for development permits consistent with section 1(2), chapter 231, Laws of 2007;

(f) The cost of the project compared to the size of the local government and amount of loan money available;

(g) The number of communities served by or funding the project;

(h) Whether the project is located in an area of high unemployment, compared to the average state unemployment;

(i) Whether the project is the acquisition, expansion, improvement, or renovation by a local government of a public water system that is in violation of health and safety standards, including the cost of extending existing service to such a system;

(j) Except as otherwise conditioned by RCW 43.155.120, and effective one calendar year following the development of model evergreen community

# Enabling Legislation for the Public Works Trust Fund

management plans and ordinances under RCW 35.105.050, whether the entity receiving assistance has been recognized, and what gradation of recognition was received, in the evergreen community recognition program created in RCW 35.105.030;

(k) The relative benefit of the project to the community, considering the present level of economic activity in the community and the existing local capacity to increase local economic activity in communities that have low economic growth; and

(l) Other criteria that the board considers advisable.

(5) Existing debt or financial obligations of local governments shall not be refinanced under this chapter. Each local government applicant shall provide documentation of attempts to secure additional local or other sources of funding for each public works project for which financial assistance is sought under this chapter.

(6) Before November 1st of each even-numbered year, the board shall develop and submit to the appropriate fiscal committees of the senate and house of representatives a description of the loans made under RCW 43.155.065, 43.155.068, and subsection (9) of this section during the preceding fiscal year and a prioritized list of projects which are recommended for funding by the legislature, including one copy to the staff of each of the committees. The list shall include, but not be limited to, a description of each project and recommended financing, the terms and conditions of the loan or financial guarantee, the local government jurisdiction and unemployment rate, demonstration of the jurisdiction's critical need for the project and documentation of local funds being used to finance the public works project. The list shall also include measures of fiscal capacity for each jurisdiction recommended for financial assistance, compared to authorized limits and state averages, including local government sales taxes; real estate excise taxes; property taxes; and charges for or taxes on sewerage, water, garbage, and other utilities.

(7) The board shall not sign contracts or otherwise financially obligate funds from the public works assistance account before the legislature has appropriated funds for a specific list of public works projects. The legislature may remove projects from the list recommended by the board. The legislature shall not change the order of the priorities recommended for funding by the board.

(8) Subsection (7) of this section does not apply to loans made under RCW 43.155.065, 43.155.068, and subsection (9) of this section.

(9) Loans made for the purpose of capital facilities plans shall be exempted from subsection (7) of this section.

(10) To qualify for loans or pledges for solid waste or recycling facilities under this chapter, a city or county must demonstrate that the solid waste or recycling facility is consistent with and necessary to implement the comprehensive solid waste management plan adopted by the city or county under chapter 70.95 RCW.

(11) After January 1, 2010, any project designed to address the effects of storm water or wastewater on Puget Sound may be funded under this section only if the project is not in conflict with the action agenda developed by the Puget Sound partnership under RCW 90.71.310. [2009 c 518 § 16; 2008 c 299 § 25. Prior: 2007 c 341 § 24; 2007 c 231 § 2; 2001 c 131 § 5; 1999 c 164 § 602; 1997 c 429 § 29; 1996 c 168 § 3; 1995 c 363 § 3; 1993 c 39 § 1; 1991 sp.s. c 32 § 23; 1990 1st ex.s. c 17 § 82; 1990 c 133 § 6; 1988 c 93 § 3; 1987 c 505 § 40; 1985 c 446 § 12.]

Notes:

Short title -- 2008 c 299: See note following RCW 35.105.010.

Severability -- Effective date -- 2007 c 341: See RCW 90.71.906 and 90.71.907.

Findings -- Recommendations -- Reports encouraged -- 2007 c 231: "(1) The legislature finds that permit programs have been legislatively established to protect the health, welfare, economy, and environment of Washington's citizens and to provide a fair, competitive opportunity for business innovation and consumer confidence. The legislature also finds that uncertainty in government processes to permit an activity by a citizen of Washington state is undesirable and erodes confidence in government. The legislature further finds that in the case of projects that would further economic development in the state, information about the permitting process is critical for an applicant's planning and financial assessment of the proposed project. The legislature also finds that applicants have a responsibility to provide complete and accurate information.

(2) The legislature recommends that applicants be provided with the following information when applying for a development permit from a city, county, or state agency:

(a) The minimum and maximum time an agency will

# Enabling Legislation for the Public Works Trust Fund

need to make a decision on a permit, including public comment requirements;

(b) The minimum amount of information required for an agency to make a decision on a permit;

(c) When an agency considers an application complete for processing;

(d) The minimum and maximum costs in agency fees that will be incurred by the permit applicant; and

(e) The reasons for a denial of a permit in writing.

(3) In providing this information to applicants, an agency should base estimates on the best information available about the permitting program and prior applications for similar permits, as well as on the information provided by the applicant. New information provided by the applicant subsequent to the agency estimates may change the information provided by an agency per subsection (2) of this section. Project modifications by an applicant may result in more time, more information, or higher fees being required for permit processing.

(4) This section does not create an independent cause of action, affect any existing cause of action, or establish time limits for purposes of RCW 64.40.020.

(5) City, county, and state agencies issuing development permits are encouraged to track the progress in providing the information to applicants per subsection (2) of this section by preparing an annual report of its performance for the preceding fiscal year. The report should be posted on its web site [and] made available and provided to the appropriate standing committees of the senate and house of representatives." [2007 c 231 § 1.]

Findings -- Intent -- Part headings and subheadings not law -- Effective date -- Severability -- 1999 c 164: See notes following RCW 43.160.010.

Savings -- 1999 c 164 §§ 301-303, 305, 306, and 601-603: See note following RCW 82.60.020.

Effective date -- 1997 c 429 §§ 29, 30: "Sections 29 and 30 of this act are necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and take effect immediately [May 19, 1997]." [1997 c 429 § 55.]

Severability -- 1997 c 429: See note following RCW 36.70A.3201.

Finding -- Purpose -- 1995 c 363: See note following

RCW 43.155.068.

Effective date -- 1993 c 39: "This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and shall take effect July 1, 1993." [1993 c 39 § 2.]

Section headings not law -- 1991 sp.s. c 32: See RCW 36.70A.902.

Intent -- 1990 1st ex.s. c 17: See note following RCW 43.210.010.

Severability -- Part, section headings not law -- 1990 1st ex.s. c 17: See RCW 36.70A.900 and 36.70A.901.

Findings -- Severability -- 1990 c 133: See notes following RCW 36.94.140.

## **43.155.075**

Loans for public works projects — Statement of environmental benefits — Development of outcome-focused performance measures.

In providing loans for public works projects, the board shall require recipients to incorporate the environmental benefits of the project into their applications, and the board shall utilize the statement of environmental benefits in its prioritization and selection process. The board shall also develop appropriate outcome-focused performance measures to be used both for management and performance assessment of the loan program. To the extent possible, the department should coordinate its performance measure system with other natural resource-related agencies as defined in RCW 43.41.270. The board shall consult with affected interest groups in implementing this section.

[2001 c 227 § 10.]

Notes:

Findings -- Intent -- 2001 c 227: See note following RCW 43.41.270.

## **43.155.080**

Records and audits.

The board shall keep proper records of accounts and shall be subject to audit by the state auditor.

[1987 c 505 § 41; 1985 c 446 § 13.]

## **43.155.090**

Loan agreements.

Loans from the public works assistance account under this chapter shall be made by loan agreement under chapter 39.69 RCW.

[1987 c 19 § 6.]

# Enabling Legislation for the Public Works Trust Fund

## **43.155.100**

Water conservation account.

The water conservation account is created in the custody of the state treasurer. All receipts from federal funding dedicated to water conservation under 16 U.S.C. Sec. 3831 shall be deposited in the account. In addition, the legislature may appropriate money to the account. The account is subject to allotment procedures under chapter 43.88 RCW, but an appropriation is not required for expenditures. Expenditures from the account shall be used for the development and support of water conservation as defined by 16 U.S.C. Sec. 3831. Only the public works board or its designee may make expenditures from the account.

[2002 c 329 § 11.]

Notes:

Effective date -- 2002 c 329 § 11: "Section 11 of this act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately [April 3, 2002]." [2002 c 329 § 12.]

## **43.155.110**

Puget Sound partners.

In developing a priority process for public works projects under RCW 43.155.070, the board shall give preferences only to Puget Sound partners, as defined in RCW 90.71.010, over other entities that are eligible to be included in the definition of Puget Sound partner. Entities that are not eligible to be a Puget Sound partner due to geographic location, composition, exclusion from the scope of the action agenda developed by the Puget Sound partnership under RCW 90.71.310, or for any other reason, shall not be given less preferential treatment than Puget Sound partners.

[2007 c 341 § 25.]

Notes:

Severability -- Effective date -- 2007 c 341: See RCW 90.71.906 and 90.71.907.

## **43.155.120**

Administering funds — Preference to an evergreen community.

When administering funds under this chapter, the board shall give preference only to an evergreen community recognized under RCW 35.105.030 in comparison to other entities that are eligible to receive evergreen community designation. Entities not eligible for designation as an evergreen community shall not be given less preferential treatment than an evergreen community.

[2008 c 299 § 30.]

Notes:

Short title -- 2008 c 299: See note following RCW 35.105.010.

# WAC 399—Rules Guiding the Public Works Board

## Chapter 399-10 WAC

### General provisions

#### Chapter Listing

#### WAC Sections

- 399-10-010 Organization and operation of the public works board.
- 399-10-020 Board meetings.
- 399-10-030 Communications with the board.

#### 399-10-010

Organization and operation of the public works board.

(1) The public works board is a thirteen-member board appointed by the governor under RCW 43.155.030.

(2) The governor appoints one of the general public members as chair. The board may elect other officers for terms deemed necessary.

(3) The department of community, trade, and economic development provides staff support and office space to the board.

[Statutory Authority: RCW 43.155.040(4). 07-05-029, § 399-10-010, filed 2/13/07, effective 3/16/07. Statutory Authority: RCW 43.155.040(5). 01-09-014, § 399-10-010, filed 4/6/01, effective 5/7/01. Statutory Authority: RCW 43.155.040 (4) and (5). 98-24-010, § 399-10-010, filed 11/19/98, effective 12/20/98. Statutory Authority: RCW 43.155.040(4). 95-11-093, § 399-10-010, filed 5/19/95, effective 6/19/95; 93-22-014, § 399-10-010, filed 10/26/93, effective 11/26/93. Statutory Authority: 1985 c 446 § 10. 85-24-072 (Order 85-17), § 399-10-010, filed 12/4/85.]

399-10-020  
Board meetings.

(1) The board holds regular meetings on the first Tuesday of each month, except in July. In the month of August meetings are held on the first and third Tuesdays. The board may chose to cancel or move regular meetings and notice of any changes will be as provided by law.

(2) Notice of the times and places of the regular meetings will be published annually in a January edition of the Washington State Register. A copy of the schedule of regular meetings may also be obtained upon request from the board.

(3) Special meetings of the board may be called at any time by the chair of the board or by a majority of the board members. Notice of such meetings will be as provided by law.

[Statutory Authority: RCW 43.155.040(4). 07-05-029, § 399-10-020, filed 2/13/07, effective 3/16/07. Statutory Authority: RCW 43.155.040 (4) and (5). 98-24-010, § 399-10-020, filed 11/19/98, effective 12/20/98. Statutory Authority: RCW 43.155.040(4). 93-22-014, § 399-10-020, filed 10/26/93, effective 11/26/93. Statutory Authority: 1985 c 446 § 10. 85-24-072 (Order 85-17), § 399-10-020, filed 12/4/85.]

399-10-030  
Communications with the board.

Any and all written communications with the board, including but not limited to requests for information or copies of agency records, or submittals of any nature, must be addressed to the public works board, in care of:

Executive Director  
Public Works Board  
PO Box 48319  
Olympia WA 98504-8319

[Statutory Authority: RCW 43.155.040(4). 07-05-029, § 399-10-030, filed 2/13/07, effective 3/16/07. Statutory Authority: RCW 43.155.040 (4) and (5). 98-24-010, § 399-10-030, filed 11/19/98, effective 12/20/98. Statutory Authority: RCW 43.155.040(4). 93-22-014, § 399-10-030, filed 10/26/93, effective 11/26/93. Statutory Authority: 1985 c 446 § 10. 85-24-072 (Order 85-17), § 399-10-030, filed 12/4/85.]

## Chapter 399-20 WAC

### Public records

#### Chapter Listing

#### WAC Sections

- 399-20-010 Purpose.
- 399-20-020 Definitions.
- 399-20-030 Public records available.
- 399-20-040 Public records officer.
- 399-20-060 Office hours.
- 399-20-070 Requests for public records.
- 399-20-080 Copying.
- 399-20-090 Exemptions.
- 399-20-100 Review of denials of public records requests.
- 399-20-110 Protection of public records.

#### DISPOSITIONS OF SECTIONS FORMERLY CODIFIED IN THIS CHAPTER

399-20-050 Records index. [Statutory Authority: 1985 c 446 § 10. 85-24-072 (Order 85-17), § 399-20-050, filed 12/4/85.] Repealed by 07-05-029, filed 2/13/07, effective 3/16/07. Statutory Authority: RCW 43.155.040(4).

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399-20-120 Adoption of form. [Statutory Authority: RCW 43.155.040 (4) and (5). 98-24-010, § 399-20-120, filed 11/19/98, effective 12/20/98. Statutory Authority: 1985 c 446 § 10. 85-24-072 (Order 85-17), § 399-20-120, filed 12/4/85.] Repealed by 07-05-029, filed 2/13/07, effective 3/16/07. Statutory Authority: RCW 43.155.040 (4).

## 399-20-010

### Purpose.

This chapter is intended to ensure that the board complies with chapter 42.56 RCW, the Public Records Act, especially RCW 42.56.030 through 42.56.230 and RCW 42.56.510 through 42.56.580, which address disclosure of public records.

[Statutory Authority: RCW 43.155.040(4). 07-05-029, § 399-20-010, filed 2/13/07, effective 3/16/07. Statutory Authority: RCW 43.155.040 (4) and (5). 98-24-010, § 399-20-010, filed 11/19/98, effective 12/20/98. Statutory Authority: 1985 c 446 § 10. 85-24-072 (Order 85-17), § 399-20-010, filed 12/4/85.]

## 399-20-020

### Definitions.

The following definitions shall apply to this chapter:

(1) “Public record” includes any writing containing information relating to the conduct of government or the performance of any governmental or proprietary function prepared, owned, used, or retained by any state or local agency regardless of physical form or characteristics. For the office of the secretary of the senate and the office of the chief clerk of the house of representatives, public records means legislative records as defined in RCW 40.14.100 and also means the following: All budget and financial records; personnel leave, travel, and payroll records; records of legislative sessions; reports submitted to the legislature; and any other record designated a public record by any official action of the senate or the house of representatives.

(2) “Writing” means handwriting, typewriting, printing, photostating, photographing, and every other means of recording any form of communication or representation, including, but not limited to, letters, words, pictures, sounds, or symbols, or combinations thereof, and all papers, maps, magnetic or paper tapes, photographic films and prints, motion picture, film and video recordings, magnetic or punched cards, discs, drums, diskettes, sound recordings, and other documents including existing data

compilations from which information may be obtained or translated.

(3) “Board” means the public works board, created in chapter 43.155 RCW, and also refers to the board’s officers and staff, where appropriate.

(4) “Department” means the department of community, trade, and economic development, and shall refer to the department’s staff, where appropriate.

[Statutory Authority: RCW 43.155.040(4). 07-05-029, § 399-20-020, filed 2/13/07, effective 3/16/07. Statutory Authority: RCW 43.155.040 (4) and (5). 98-24-010, § 399-20-020, filed 11/19/98, effective 12/20/98. Statutory Authority: RCW 43.155.040(4). 95-11-093, § 399-20-020, filed 5/19/95, effective 6/19/95. Statutory Authority: 1985 c 446 § 10. 85-24-072 (Order 85-17), § 399-20-020, filed 12/4/85.]

## 399-20-030

Public records available.

All public records of the board are deemed to be available for public inspection and copying, except as otherwise provided by RCW 42.56.070 and 42.56.210 as now or hereafter amended, and by WAC 399-20-090.

[Statutory Authority: RCW 43.155.040(4). 07-05-029, § 399-20-030, filed 2/13/07, effective 3/16/07. Statutory Authority: RCW 43.155.040 (4) and (5). 98-24-010, § 399-20-030, filed 11/19/98, effective 12/20/98. Statutory Authority: 1985 c 446 § 10. 85-24-072 (Order 85-17), § 399-20-030, filed 12/4/85.]

## 399-20-040

Public records officer.

The board shall designate a staff member to be the public records officer. The public records officer shall be responsible for implementation of the board’s rules and regulations regarding inspection and copying of public records, and for ensuring compliance by the staff with the public records disclosure requirements of chapter 42.56 RCW.

[Statutory Authority: RCW 43.155.040(4). 07-05-029, § 399-20-040, filed 2/13/07, effective 3/16/07. Statutory Authority: RCW 43.155.040 (4) and (5). 98-24-010, § 399-20-040, filed 11/19/98, effective 12/20/98. Statutory Authority: 1985 c 446 § 10. 85-24-072 (Order 85-17), § 399-20-040, filed 12/4/85.]

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## **399-20-060**

### Office hours.

Public records are available for inspection and copying from 8:00 a.m. to noon and from 1:00 p.m. to 5:00 p.m., Monday through Thursday, excluding legal holidays, or closure due to natural disaster, inclement weather, or local emergency.

[Statutory Authority: RCW 43.155.040(4). 09-04-100, § 399-20-060, filed 2/4/09, effective 3/7/09. Statutory Authority: RCW 43.155.040 (4) and (5). 98-24-010, § 399-20-060, filed 11/19/98, effective 12/20/98. Statutory Authority: 1985 c 446 § 10. 85-24-072 (Order 85-17), § 399-20-060, filed 12/4/85.]

## **399-20-070**

### Requests for public records.

The Public Records Act, chapter 42.56 RCW, requires agencies to prevent unreasonable invasions of privacy, to protect public records from damage or disorganization, and to prevent excessive interference with essential functions of the board. Therefore, members of the public may inspect, copy, or obtain copies of public records in compliance with chapter 42.56 RCW. The public records officer will assist the member of the public in appropriately identifying the public record requested.

[Statutory Authority: RCW 43.155.040(4). 07-05-029, § 399-20-070, filed 2/13/07, effective 3/16/07. Statutory Authority: RCW 43.155.040 (4) and (5). 98-24-010, § 399-20-070, filed 11/19/98, effective 12/20/98. Statutory Authority: 1985 c 446 § 10. 85-24-072 (Order 85-17), § 399-20-070, filed 12/4/85.]

## **399-20-080**

### Copying.

No fee is charged for the inspection of public records. The board may charge a fee of fifteen cents per page for providing copies of public records, when copies of more than ten pages are provided, and for use of the department's copy equipment.

[Statutory Authority: RCW 43.155.040 (4) and (5). 98-24-010, § 399-20-080, filed 11/19/98, effective 12/20/98. Statutory Authority: 1985 c 446 § 10. 85-24-072 (Order 85-17), § 399-20-080, filed 12/4/85.]

## **399-20-090**

### Exemptions.

(1) The public records officer will determine whether a

requested record is exempt from disclosure under chapter 42.56 RCW.

(2) If a requested record is determined to be exempt in part, the public records officer will delete the exempt portions of the record before making it available for inspection or copying. The public records officer will fully justify any deletion in writing.

(3) Whenever the public records officer denies a public records request, a written statement specifying the reason for the denial shall be provided.

(4) The Public Disclosure Act requires agencies to respond promptly to requests for public records. Within five business days after receiving a public records request, the public records officer must respond by either:

- (a) Providing the record;
- (b) Acknowledging the request and stating a reasonable estimate of the time the board will need to respond; or
- (c) Denying the request.

The board may require additional time to respond for reasons consistent with RCW 42.56.520.

[Statutory Authority: RCW 43.155.040(4). 07-05-029, § 399-20-090, filed 2/13/07, effective 3/16/07. Statutory Authority: RCW 43.155.040 (4) and (5). 98-24-010, § 399-20-090, filed 11/19/98, effective 12/20/98. Statutory Authority: 1985 c 446 § 10. 85-24-072 (Order 85-17), § 399-20-090, filed 12/4/85.]

## **399-20-100**

### Review of denials of public records requests.

Agencies are required to establish a mechanism for the prompt review of decisions denying the inspection or copying of public records. In any case where a public record is denied in whole or in part the chair, or designee, shall immediately review the matter and either affirm or reverse the denial. The review is deemed complete at the end of the second business day following the denial of inspection or copying and constitutes final agency action for purposes of judicial review.

[Statutory Authority: RCW 43.155.040 (4) and (5). 98-24-010, § 399-20-100, filed 11/19/98, effective 12/20/98. Statutory Authority: 1985 c 446 § 10. 85-24-072 (Order 85-17), § 399-20-100, filed 12/4/85.]

# WAC 399—Rules Guiding the Public Works Board

## 399-20-110

Protection of public records.

To protect the board’s public records any person inspecting or copying the records must comply with the following requirements:

- (1) Public records may not be removed from the board’s offices;
- (2) Persons inspecting public records must do so in the presence of a designated board or department employee;
- (3) Persons inspecting or copying public records must not mark or deface them in any manner;
- (4) Public records maintained in a file jacket, or in chronological order must not be dismantled except for the purposes of copying and then only by a designated board or department employee;
- (5) Only board or department employees will have access to file cabinets, shelves, vaults, or other storage areas.

[Statutory Authority: RCW 43.155.040 (4) and (5). 98-24-010, § 399-20-110, filed 11/19/98, effective 12/20/98. Statutory Authority: 1985 c 446 § 10. 85-24-072 (Order 85-17), § 399-20-110, filed 12/4/85.]

## Chapter 399-30 WAC

### Public works loans and pledges

#### Chapter Listing

#### WAC Sections

- 399-30-010 Purpose.
- 399-30-020 Definitions.
- 399-30-030 Applications for construction and preconstruction financial assistance.
- 399-30-031 Applications for drinking water state revolving funds and water system acquisition and rehabilitation program financial assistance.
- 399-30-032 What are the requirements for meeting the Growth Management Act under RCW 43.155.070?
- 399-30-033 How will the board address a “public health need” under RCW 43.155.070?
- 399-30-034 How will the board address “substantial environmental degradation” as found in RCW 43.155.070?
- 399-30-040 Application evaluation procedure and

board deliberations -- Construction and preconstruction loan programs.

- 399-30-042 Application evaluation procedure and board deliberations -- Capital planning support.
- 399-30-045 Application evaluation procedure and board deliberations -- Emergency loan program.
- 399-30-050 Recommendations to the legislature for construction loans.
- 399-30-060 Loan and financing guarantee loan agreements for the construction loan program.
- 399-30-065 Emergency loan and financing guarantee loan agreements.

## 399-30-010

Purpose.

(1) The public works board provides financial assistance to local governments from the public works assistance account or other sources to assist local governments in financing public works projects. The board may also pledge money to the repayment of all or a portion of the principal or interest on obligations issued by local governments to finance public works projects.

(2) The purpose of this chapter is to describe how local governments may apply to the board for financial assistance, and to provide for the review of the applications.

(3) The public works board provides technical assistance, including training and other services provided to local governments to help such local governments plan, apply, and qualify for loans and financing guarantees from the board, and help local governments improve their ability to plan for, finance, acquire, construct, repair, replace, rehabilitate, and maintain public facilities.

[Statutory Authority: RCW 43.155.040(4). 07-05-029, § 399-30-010, filed 2/13/07, effective 3/16/07. Statutory Authority: RCW 43.155.040 (4) and (5). 98-24-010, § 399-30-010, filed 11/19/98, effective 12/20/98. Statutory Authority: 1985 c 446 § 10. 85-24-072 (Order 85-17), § 399-30-010, filed 12/4/85.]

# WAC 399—Rules Guiding the Public Works Board

## 399-30-020

### Definitions.

Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.

- (1) “Board” means the public works board.
- (2) “Department” means the department of community, trade, and economic development.
- (3) “Financing guarantees” means the pledge of money in the public works assistance account, or money to be received by the public works assistance account, to the repayment of all or a portion of the principal of or interest on obligations issued by local governments to finance public works projects.
- (4) “Local governments” means cities, towns, counties, special purpose districts, and any other municipal corporations or quasi-municipal corporations in the state excluding school districts and port districts.
- (5) “Public works project” means a project of a local government for the planning, acquisition, construction, repair, reconstruction, replacement, rehabilitation, or improvement of bridges, roads, domestic water systems, sanitary sewer systems, storm sewer systems, and solid waste/recycling systems.
- (6) “Emergency public works project” means a public works project made necessary by a natural disaster, or an immediate and emergent threat to the public health and safety due to unforeseen or unavoidable circumstances.

[Statutory Authority: RCW 43.155.040 (4) and (5). 98-24-010, § 399-30-020, filed 11/19/98, effective 12/20/98. Statutory Authority: RCW 43.155.040. 89-10-041 (Order 89-01), § 399-30-020, filed 4/28/89. Statutory Authority: 1985 c 446 § 10. 85-24-072 (Order 85-17), § 399-30-020, filed 12/4/85.]

## 399-30-030

### Applications for construction and preconstruction financial assistance.

- (1) Any local government in the state of Washington may apply for financial assistance to assist in financing critical public works projects.
- (2) All applicants must meet the following conditions:
  - (a) Applicant cities and counties must be imposing a

real estate excise tax under RCW 82.46.010(2) at a rate of at least one-quarter of one percent;

(b) Applicant local governments must have developed a long-term plan for financing public works needs as further described in the loan application package under “capital facilities planning.”

(3) Direct costs eligible for public works financial assistance are those costs directly attributable to a specific project and include:

(a) Work done by employees of the applicant, or by other government employees under an interlocal agreement or contract limited to: Engineering, environmental review, design activities, acquisition of rights of way or property, construction inspection activities, roadway seal coating (if bids from private sector contractors have been solicited and compared with the interlocal agreement proposal), and the cleaning, sterilization, or bacteriological testing of water system components prior to public use.

(i) Salaries and wages (at actual or average rates) covering productive labor hours of the local government employees (excluding the administrative organization of the operating unit involved). The cost of services rendered by employees generally classified as administrative are considered a direct cost only when such employees are assigned for short periods of time to perform on a full-time basis the types of services described above and when similar procedures are followed;

(ii) Employee benefits relating to direct labor are considered a direct cost of construction projects. The following items may be included as employee benefits:

- (A) F.I.C.A. (Social Security) - employer’s share;
- (B) Retirement benefits;
- (C) Hospital, health, dental, and other welfare insurance;
- (D) Life insurance;
- (E) Industrial and medical insurance;
- (F) Vacation;
- (G) Holiday;
- (H) Sick leave; and
- (I) Military leave and jury duty.

Employee benefits must be calculated as a percentage of direct labor dollars. The computation of predetermined percentage rates to be applied to current labor costs must

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be based on the average of total employee benefits and total labor costs for the prior fiscal year and adjusted by known current year variations.

(b) Contract engineering, planning, legal, and financial planning services. The board reserves the right to declare ineligible legal costs that are unreasonable and disproportionate to the project.

(c) Right of way acquisition costs including:

(i) Purchase of land and easements acquired for and devoted to the project;

(ii) Purchase of improvements;

(iii) Adjustment or reestablishment of improvements;

(iv) Salaries, expenses or fees of appraisers, negotiators or attorneys;

(v) Removal or demolition of improvement;

(vi) Other direct costs in connection with the acquisition. Amounts received from the sale of excess real property or improvements and from any rentals will be reduced from the direct cost.

(d) Contract construction work.

(e) Direct vehicle and equipment charges at the actual rental cost paid for the equipment or, in the case of city or county-owned equipment, at the rental rates established by the local government's "equipment rental and revolving fund" following the methods prescribed by the division of municipal corporations. However, such costs must be charged on a uniform basis to equipment used for all projects regardless of the source of funding. Cities with a population of eight thousand or less not using type of fund are allowed the same rates as used by the department of transportation.

(f) Direct materials and supplies.

(i) An overhead rate or "loading factor" is not considered an appropriate additive to the actual cost of materials and supplies used on construction projects unless the factor is readily and properly supportable by the governmental unit's accounting records.

(ii) The cost, or reasonable estimate thereof, of materials paid for as contract estimate items, but not

used, will be considered a reduction of direct costs. Any material that is salvaged in connection with a project will be assigned a reasonable value and considered a reduction of direct costs.

(iii) Wetland plants and other materials used for wetland planting, wildlife habitat, or fish habitat may be provided to a public or nonprofit organization without a reduction of direct costs.

(g) Interdepartmental charges for work performed by the local government for the benefit of specific construction projects is limited to direct costs plus an allocation of indirect costs based on ten percent of direct labor dollars, excluding employee benefits.

(h) Other direct costs incurred for materials or services acquired for a specific project are eligible for participation by public works loan funds and may include, but are not limited to such items as:

(i) Public communication plans and activities;

(ii) Telephone charges;

(iii) Reproduction and photogrammetry costs;

(iv) Video and photography for project documentation;

(v) Computer usage;

(vi) Printing and advertising; and

(vii) Value engineering and performance audits.

(4) Other than work identified in subsection (3)(a) of this section, no government employee labor related costs, including force account work, are eligible for financing assistance or to be considered as local match under this chapter.

(5) Applications must be submitted on forms provided by the board for the current funding cycle.

(6) A responsible official of the applicant jurisdiction must certify each application for financial assistance. The official must also provide the board with additional materials or information in support of the application when requested by the board or its staff.

[Statutory Authority: RCW 43.155.040(4). 07-05-029, § 399

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-30-030, filed 2/13/07, effective 3/16/07. Statutory Authority: RCW 43.155.040(5). 01-09-014, § 399-30-030, filed 4/6/01, effective 5/7/01. Statutory Authority: RCW 43.155.040 (4) and (5). 98-24-010, § 399-30-030, filed 11/19/98, effective 12/20/98. Statutory Authority: RCW 43.155.040(4). 92-03-052, § 399-30-030, filed 1/13/92, effective 2/13/92. Statutory Authority: 1985 c 446 § 10. 85-24-072 (Order 85-17), § 399-30-030, filed 12/4/85.]

## **399-30-031**

Applications for drinking water state revolving funds and water system acquisition and rehabilitation program financial assistance.

The board, the department of health, and the department of community, trade, and economic development jointly administer the drinking water state revolving fund and the water system acquisition and rehabilitation program, and follow the process described in chapter 246-296 WAC.

[Statutory Authority: RCW 43.155.040(4). 09-04-100, § 399-30-031, filed 2/4/09, effective 3/7/09; 07-05-029, § 399-30-031, filed 2/13/07, effective 3/16/07.]

## **399-30-032**

What are the requirements for meeting the Growth Management Act under RCW 43.155.070?

(1) “Compliance with the Growth Management Act” means that at the time of application for financial assistance:

(a) A local government that is required to or chooses to plan under RCW 36.70A.040 has adopted a comprehensive plan and development regulations in conformance with the requirements of chapter 36.70A RCW, after it is required that the comprehensive plan and development regulations be adopted; and

(b) The local government has not been found out of compliance by a growth management hearings board; or

(c) A growth management hearings board has found a local government in compliance with the requirements of chapter 36.70A RCW, after previously finding the local government was not in compliance.

(2) Exceptions based on “public health need” or “substantial environmental degradation” shall not be used as a method to provide unrestricted access to financial assistance for local governments not in compliance with the law.

[Statutory Authority: RCW 43.155.040(4). 07-05-029, § 399-30-032, filed 2/13/07, effective 3/16/07; 99-09-020, § 399-30-032, filed 4/14/99, effective 5/15/99.]

## **399-30-033**

How will the board address a “public health need” under RCW 43.155.070?

“Public health need” means that a situation exists that causes or is about to cause a real, documented, acute public health need related to the state’s air, water, or soil that contributes to injuries or deaths on public highways, or risk of a public health emergency due to contaminated domestic water, the failure of a sanitary sewer system, storm sewer system, or solid waste or recycling system; and the problem generally involves a discrete area including, but not limited to, a county, city, subdivision, or an area serviced by on-site wastewater disposal systems.

In determining whether a project is necessary to address a public health need, the board shall consider the following factors:

(1) For bridge or road projects - whether injury or fatal injury motor or nonmotorized vehicle traffic collisions at a specific site, roadway control section, or area have occurred at a rate to be in the top five percent of all such collisions within the applicant jurisdiction for the most recent three-year period; and whether the proposed public works project will eliminate or reduce the likelihood of such vehicle collisions. Applicants applying under this subsection may utilize jurisdiction-wide accident data, or break the data down into arterial or nonarterial roads, intersection or nonintersection, and for intersections, whether they are signalized or non-signalized.

(2) For domestic water projects - whether a drinking water system regulated by the department of health has been contaminated or is in imminent danger of being contaminated to the extent of creating a public health risk and; whether the proposed public works project will eliminate or reduce the chance of contamination.

(3) For sanitary sewer projects - whether failure of existing wastewater system or systems, including on-site systems, has resulted in contamination being present on the surface of the ground in such quantities and locations so as to create a potential for public contact; or whether contamination of a commercial or recreational shellfish bed so as to create a public health risk associated with the consumption of the shellfish, or contamination of surface water so as to create a public health risk associated with

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recreational use; and whether the proposed public works project will eliminate or reduce the danger of such public health risk.

(4) For storm sewer projects - whether failure of an existing storm sewer system has caused or is in imminent danger of causing localized flooding which disrupts critical public services; causes disease, illness, or attraction of rodents so as to create a public health risk; or contamination of a commercial or recreational shellfish bed so as to create a public health risk associated with the consumption of the shellfish, or contamination of surface water so as to create a public health risk associated with recreational use and; whether the proposed public works project will eliminate or reduce the danger of localized flooding which disrupts critical public services or causes a public health risk.

(5) For solid waste or recycling projects - whether failure of an existing solid waste or recycling system has caused or is in danger of causing ground water contamination; causes disease, illness, or attraction of rodents so as to create a public health risk and; whether the proposed public works project will eliminate or reduce the danger of such public health risk.

(6) For all projects - whether more efficient operation of an existing system, changing public access, or modifying other regulatory standards (e.g., reduced speed limits, water conservation measures, rodent control, restricted shellfish harvesting) is likely to provide the same or similar level of resolution.

(7) For all projects - whether the public health problem is caused by failure to maintain or periodically replace, reconstruct, or rehabilitate a public works system.

(8) For all projects - other factors the board finds on the record are significant in light of facts and circumstances unique to the project.

(9) The factors enumerated in subsection (1) of this section must be addressed in a letter of request, with supporting documentation, addressed to the chair of the board and signed by the public official who signed the application for financial assistance.

(10) The factors enumerated in subsections (2) through (5) of this section must be addressed in a letter of request, with supporting documentation, addressed to the secretary of the Washington state department of health

and signed by the public official who signed the application for financial assistance. A determination of a public health need may be made by the secretary, or designee, and addressed to the same public official. The board will consider the determination of the secretary. The board will also consider information presented on factors enumerated in subsections (6) through (8) of this section, which must be documented in a manner acceptable to the board.

[Statutory Authority: RCW 43.155.040(4). 07-05-029, § 399-30-033, filed 2/13/07, effective 3/16/07; 99-09-020, § 399-30-033, filed 4/14/99, effective 5/15/99.]

## **399-30-034**

How will the board address “substantial environmental degradation” as found in RCW 43.155.070?

“Substantial environmental degradation” means a situation causes or is about to cause real, documented, substantial environmental degradation that contributes to violations of the state’s air quality, water quality, or soil contaminate standards, interferes with beneficial uses of the air, water, or land, and the problem generally involves a discrete area including, but not limited to, a county, city, subdivision, or an area serviced by on-site wastewater disposal systems.

In determining whether a project is necessary to address substantial environmental degradation, the board shall consider the following factors:

(1) For bridge and road projects - whether motorized or nonmotorized vehicle traffic has caused substantial environmental degradation of the air, water, or soils of the state at the site for which a proposed public works project is the subject of a financial assistance application, and; whether the proposed public works project will eliminate or reduce the chance of such vehicle-caused critical substantial environmental degradation.

(2) For domestic water projects - whether a drinking water system regulated by the department of health has caused substantial environmental degradation of the air, water, or soil of the state including, but not limited to: Causing disease or illness to humans, the attraction of rodents, or the killing of fish and shellfish that reside in the waters of the state, and; whether the proposed public works project will eliminate or reduce the chance of substantial environmental degradation.

(3) For sanitary sewer projects - whether failure of an

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existing wastewater system, including individual on-site systems, has caused substantial environmental degradation of the air, water, or soil of the state including, but not limited to: Causing disease or illness to humans, the attraction of rodents, or the killing of fish and shellfish that reside in the waters of the state, and; whether the proposed public works project will eliminate or reduce such substantial environmental degradation.

(4) For storm sewer systems - whether failure of an existing storm sewer system has caused substantial environmental degradation of the air, water, or soil of the state including, but not limited to: Causing disease or illness to humans, the attraction of rodents, or the killing of fish and shellfish that reside in the waters of the state, and; whether the proposed public works project will eliminate or reduce such substantial environmental degradation.

(5) For solid waste or recycling projects - whether failure of an existing solid waste system or recycling system has caused substantial environmental degradation of the air, water, or soil of the state including, but not limited to: Causing disease or illness to humans, the attraction of rodents, or the killing of fish and shellfish that reside in the waters of the state, and; whether the proposed public works project will eliminate or reduce such substantial environmental degradation.

(6) For all projects - whether more efficient operation of an existing system, changing public access, or modifying other regulatory standards (e.g., reduced speed limits, water conservation measures, rodent control, restricted shellfish harvesting) is likely to provide the same or similar level of resolution.

(7) For all projects - whether the substantial environmental degradation is caused by failure to maintain or periodically replace, reconstruct, or rehabilitate a public works system.

(8) For all projects - other factors the board finds on the record are significant in light of facts and circumstances unique to the project. Fish passage, water quality, or water quantity issues directly impacting salmonid fish survival in a watershed which is designated as a candidate for listing, proposed for listing, threatened listing, or endangered listing under the federal Endangered Species Act may be considered significant and unique to a project.

(9) The factors enumerated in subsections (1) through (5) of this section must be addressed in a letter of request,

with supporting documentation, to the director of the Washington state department of ecology and signed by the public official who signed the application for financial assistance. A determination of substantial environmental degradation may be made by the director or designee and addressed to the same public official. The board will consider the determination of the director. The board will also consider information presented on factors enumerated in subsections (6) through (8) of this section, which must be documented in a manner acceptable to the board.

[Statutory Authority: RCW 43.155.040(4). 07-05-029, § 399-30-034, filed 2/13/07, effective 3/16/07; 99-09-020, § 399-30-034, filed 4/14/99, effective 5/15/99.]

## **399-30-040**

Application evaluation procedure and board deliberations — Construction and preconstruction loan programs.

(1) The board will consider and prioritize, or disapprove, all applications for financial assistance at regular or special meetings of the board. The applicant will be notified of meetings at which its application will be considered.

(2) Applications will be evaluated and prioritized in accordance with the following procedures:

(a) Staff will log in all applications as received.

(b) Staff will review all applications for compliance with the minimum qualification requirements of WAC 399-30-030(2). Jurisdictions whose applications do not meet the minimum qualification requirements will be notified in writing of the disqualification.

(c) Staff will perform an evaluation of all applications which meet the requirements of WAC 399-30-030(2). Applications will be scored according to responses in the application developed and approved by the board.

(d) Staff will provide the board with evaluation and scoring of the applications. All application materials will be available to the board for their deliberations. The board will approve a ranked list of projects based on the information provided to them by the staff and the applications.

(e) The board may adjust the ranked list in consideration of the following factors:

(i) Geographical balance;

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(ii) Economic distress;

(iii) Type of projects;

(iv) Type of jurisdiction;

(v) Past management practices of the applicant, including, but not limited to, late loan payments, loan defaults, audit findings, or inability to complete projects within the time allowed by loan agreement;

(vi) Other criteria that the board considers advisable.

(f) Staff will verify critical information on each project as required by the board.

(g) In order to ensure fairness to all jurisdictions with applications pending before the board, the board will not accept oral or written testimony from any applicant while deliberating loan priorities, other than specific responses to information requests initiated by the board as provided in (h) of this subsection.

(h) The board may consult with officials of jurisdictions having projects submitted for funding on any issue it wishes to address.

(3) Applicants will be notified in writing of board decisions.

[Statutory Authority: RCW 43.155.040(4). 09-04-100, § 399-30-040, filed 2/4/09, effective 3/7/09; 07-05-029, § 399-30-040, filed 2/13/07, effective 3/16/07. Statutory Authority: RCW 43.155.040(5). 01-09-014, § 399-30-040, filed 4/6/01, effective 5/7/01. Statutory Authority: RCW 43.155.040 (4) and (5). 98-24-010, § 399-30-040, filed 11/19/98, effective 12/20/98. Statutory Authority: RCW 43.155.040(4). 95-11-093, § 399-30-040, filed 5/19/95, effective 6/19/95; 93-22-015, § 399-30-040, filed 10/26/93, effective 11/26/93; 92-03-052, § 399-30-040, filed 1/13/92, effective 2/13/92. Statutory Authority: RCW 43.155.040. 88-10-009 (Order 88-02), § 399-30-040, filed 4/22/88; 87-17-013 (Order 87-16), § 399-30-040, filed 8/10/87; 86-18-009 (Resolution No. 86-12), § 399-30-040, filed 8/21/86. Statutory Authority: 1985 c 446 § 10. 86-03-051 (Resolution No. 85-17), § 399-30-040, filed 1/15/86.]

## **399-30-042**

Application evaluation procedure and board deliberations — Capital planning support.

(1) The board will consider and approve, or disapprove, all applications for capital planning support loans at

regular or special meetings of the board. The applicant will be notified of meetings at which its application will be considered.

(2) Direct costs eligible for capital planning support are those costs directly attributable to: A systemic related plan, including capital facilities plans and capital improvement plans; comprehensive plans, environmental studies, including biological assessments or environmental assessments; or archaeological and historic preservation activities.

(3) All applications will be evaluated in accordance with the following procedures:

(a) Staff will log in all applications as received.

(b) Staff will review all applications for compliance with the minimum qualification requirements of WAC 399-30-030(2). Jurisdictions whose applications do not meet the minimum requirements will be notified in writing of the disqualification.

(c) Staff will perform an evaluation of applications which meet the requirements of WAC 399-30-030(2) to determine if the application is consistent with the policies contained in the loan application.

(d) Those applications found to be consistent with board policies may be recommended to the board for funding. All application materials will be available to the board for its deliberations. The board will approve a list of projects based on the information provided to it by the staff and the applications.

(e) The board may then adjust the list in consideration of the following factors:

(i) Geographical balance;

(ii) Economic distress;

(iii) Past management practices of the applicant, including, but not limited to, late loan payments, loan defaults, audit findings, or inability to complete projects within the time allowed by loan agreement;

(iv) Other criteria that the board considers advisable.

(f) Staff will verify critical information on each project as required by the board.

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(g) The board may consult on any issue it wishes to address, with officials of jurisdictions having projects submitted for funding.

(4) Applicants will be notified in writing of board decisions.

[Statutory Authority: RCW 43.155.040(4). 09-04-100, § 399-30-042, filed 2/4/09, effective 3/7/09; 07-05-029, § 399-30-042, filed 2/13/07, effective 3/16/07. Statutory Authority: RCW 43.155.040(5). 01-09-014, § 399-30-042, filed 4/6/01, effective 5/7/01. Statutory Authority: RCW 43.155.040 (4) and (5). 98-24-010, § 399-30-042, filed 11/19/98, effective 12/20/98. Statutory Authority: RCW 43.155.040(4). 92-03-052, § 399-30-042, filed 1/13/92, effective 2/13/92. Statutory Authority: RCW 43.155.040. 88-17-080 (Order 88-03), § 399-30-042, filed 8/22/88.]

## **399-30-045**

Application evaluation procedure and board deliberations — Emergency loan program.

This section implements RCW 43.155.060 and 43.155.065. The board may make low-interest or interest free loans to local governments for emergency public works projects. The emergency loan program is to financially assist eligible communities experiencing the loss of critical public works services or facilities due to an emergency, and that can demonstrate a substantial fiscal need.

(1) Eligible local governments. Applicants must meet the conditions as identified under WAC 399-30-030(2).

(2) Eligible uses of funds. Financial assistance received shall be used for the purpose of restoring the services and/or repair of the public works facilities involved in the emergency. Assistance provided may be used to help fund all or part of an emergency public works project less any reimbursement from any of the following:

(a) Federal disaster or emergency funds, including funds from the Federal Emergency Management Agency;

(b) State disaster or emergency funds;

(c) Insurance settlements; or

(d) Litigation.

Assisted local governments must reimburse the department any moneys received from the sources listed

above. The local government is obligated to make reimbursement for four years after formal project closeout. Local governments eligible to receive moneys must use their best efforts to seek reimbursement in a timely manner.

(3) Availability of funds. Funding will be made available on a first-come first-served basis. Only those funds specifically appropriated by the legislature from the public works assistance account shall be used to make emergency loans. That amount shall not exceed five percent of the total amount appropriated from this account in any biennium.

(4) Application process. Local governments must apply on the form provided by the board. Applications will be processed in the order received.

(5) Board deliberations -- Emergency loan applications.

(a) The board will consider and approve or disapprove all eligible applications for emergency financial assistance at regular or special meetings of the board. The applicant will be notified of meetings at which its application will be considered.

(b) All applications will be accepted and evaluated in accordance with the following procedures:

(i) Applications will be accepted only when emergency funding is available.

(ii) Staff will review applications and verify that the applicant is eligible for assistance as set forth in RCW 43.155.070(1).

(iii) Staff will provide the board an evaluation of whether an emergency loan is needed based upon the information documented by the applicant and staff.

(iv) Site visits to the location of the emergency public works project will be carried out at the discretion of the board or staff.

(6) Loan terms. The board shall determine the term and interest rate(s) of emergency loans annually.

(7) Exceptions to public works trust fund policies and procedures. Except as provided in this chapter or specified in annual program guidelines, the emergency program shall follow all general administrative program policies as

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set for the public works trust fund.

[Statutory Authority: RCW 43.155.040(4). 09-04-100, § 399-30-045, filed 2/4/09, effective 3/7/09. Statutory Authority: RCW 43.155.040 (4) and (5). 98-24-010, § 399-30-045, filed 11/19/98, effective 12/20/98. Statutory Authority: RCW 43.155.040(4). 92-03-052, § 399-30-045, filed 1/13/92, effective 2/13/92. Statutory Authority: RCW 43.155.040. 89-10-041 (Order 89-01), § 399-30-045, filed 4/28/89.]

## 399-30-050

Recommendations to the legislature for construction loans.

(1) Prior to November 1, 1986, and in each subsequent year, the board will develop and submit to the appropriate fiscal committees of the senate and house of representatives a prioritized list of projects which the board recommends for funding by the legislature.

(2) In addition to the requirements of RCW 43.155.070 (4), the list will include such supporting material as the board considers necessary to meet the purposes of this chapter.

(3) Before November 1 of each year, the board will develop and submit to the chairs of the appropriate fiscal committees of the senate and house of representatives a description of the emergency loans made under this program.

[Statutory Authority: RCW 43.155.040(4). 07-05-029, § 399-30-050, filed 2/13/07, effective 3/16/07. Statutory Authority: RCW 43.155.040 (4) and (5). 98-24-010, § 399-30-050, filed 11/19/98, effective 12/20/98. Statutory Authority: RCW 43.155.040(4). 92-03-052, § 399-30-050, filed 1/13/92, effective 2/13/92. Statutory Authority: RCW 43.155.040. 89-10-041 (Order 89-01), § 399-30-050, filed 4/28/89. Statutory Authority: 1985 c 446 § 10. 85-24-072 (Order 85-17), § 399-30-050, filed 12/4/85.]

## 399-30-060

Loan and financing guarantee loan agreements for the construction loan program.

(1) The board will only execute loan agreements or otherwise financially obligate funds from the public works assistance account after the legislature approves the list and accompanying appropriation, except for preconstruction, planning, and emergency loans.

(2) After the legislature has appropriated funds from

the public works assistance account for a specific list of public works projects, the construction loan funds will be disbursed to the applicant local government through a loan agreement. The loan agreement will offer terms and conditions as the board determines are reasonable, based on the following standards:

(a) The local government's financial participation funds must be from locally generated funding or federal or state shared revenues that can be allocated at the discretion of the local government.

(b) The interest rates, local share requirements and loan limits will be determined annually by the board.

(c) Loans must not exceed thirty years, or the useful life of the improvements, whichever is shorter.

(3) The local government and the department must execute a final loan agreement before any funds are disbursed.

(4) The local government must submit for approval a scope of work, including such things as a budget and performance measures consistent with the application for financial assistance to the department within ninety days after the department offers a loan or financing guarantee.

(5) The local government must execute any loan or financing guarantee loan agreements offered within ninety days after the department offers the loan agreement.

(6) The local government must begin work on a public works project prior to October 1 of the year in which the loan or financing guarantee is offered.

(7) The local government must complete work on the public works project within the time specified in the loan agreement, unless a written request for extension is approved by the board.

(8) The board or department will not reimburse local governments for any funds spent on public works projects financed through the public works assistance account before a planning, emergency or preconstruction loan agreement has been formally executed. The board or department may reimburse local governments for those construction loan costs incurred after September 1st of the year in which a construction loan was recommended for financing by the board, providing that the project is approved by law, the costs are eligible for reimbursement

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at the time of loan agreement execution, and there are funds available in the public works assistance account. These reimbursable costs, incurred before loan agreement execution, must be spent on eligible activities as defined by WAC 399-30-030, comply with executive order 05-05, and be consistent with the loan agreement as later executed. Any costs incurred before the execution of a construction loan agreement will not be reimbursed unless a loan agreement is executed.

[Statutory Authority: RCW 43.155.040(4). 09-04-100, § 399-30-060, filed 2/4/09, effective 3/7/09; 07-05-029, § 399-30-060, filed 2/13/07, effective 3/16/07; 04-09-085, § 399-30-060, filed 4/20/04, effective 5/21/04. Statutory Authority: RCW 43.155.040 (4) and (5). 98-24-010, § 399-30-060, filed 11/19/98, effective 12/20/98. Statutory Authority: RCW 43.155.040(4). 92-03-052, § 399-30-060, filed 1/13/92, effective 2/13/92. Statutory Authority: RCW 43.155.040. 88-23-095 (Order 88-08, Resolution No. 86-12), § 399-30-060, filed 11/22/88; 86-18-009 (Resolution No. 86-12), § 399-30-060, filed 8/21/86. Statutory Authority: 1985 c 446 § 10. 85-24-072 (Order 85-17), § 399-30-060, filed 12/4/85.]

## **399-30-065**

Emergency loan and financing guarantee loan agreements.

(1) After the legislature has appropriated funds from the public works assistance account for emergency loans, the loan funds will be disbursed to the applicant local government pursuant to a loan agreement. The loan agreement will offer terms and conditions the board determines are reasonable, based on the following standards:

(a) The local government's financial participation funds must be from locally generated revenues or federal or state shared revenues that can be allocated at the discretion of the local government.

(b) Loans must not exceed twenty years, or the useful life of the improvements, whichever is shorter.

(2) The local government and the department must execute a final loan agreement before any funds are disbursed.

(3) The local government must complete a scope of work form for a loan or financing guarantee and return it to the department within ninety days after the department offers a loan or a financing guarantee loan agreement.

(4) The local government must execute any loan or financing guarantee loan agreements offered within ninety days after the department offers the loan agreement.

(5) The local government must begin work on an emergency public works project within ninety days after the loan agreement is executed.

(6) The local government must complete work on an emergency public works project within twelve months after the loan agreement is executed, unless a written request for extension is approved by the board.

(7) The board or department will not reimburse local governments for any funds spent on emergency public works projects financed through the public works assistance account before a loan agreement has been formally executed. However, if the local government has formally declared an emergency, the board may approve reimbursement of eligible costs of correcting the emergency incurred after an emergency was declared.

Any unreimbursed eligible costs for the project may be used toward local participation requirements, if any.

(8) All public works projects must comply with the competitive bid requirement of RCW 43.155.060 to the extent feasible and practicable.

[Statutory Authority: RCW 43.155.040(4). 09-04-100, § 399-30-065, filed 2/4/09, effective 3/7/09. Statutory Authority: RCW 43.155.040 (4) and (5). 98-24-010, § 399-30-065, filed 11/19/98, effective 12/20/98. Statutory Authority: RCW 43.155.040(4). 92-03-052, § 399-30-065, filed 1/13/92, effective 2/13/92. Statutory Authority: RCW 43.155.040. 89-10-041 (Order 89-01), § 399-30-065, filed 4/28/89.]

## **Chapter 399-40 WAC**

### **Compliance with state environmental policy act**

#### **Chapter Listing**

#### **WAC Sections**

399-40-010 Purpose.

399-40-020 Statement.

#### **399-40-010**

Purpose.

The purpose of this chapter is to comply with RCW 43.21C.120, which requires all agencies of government in

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the state of Washington, consistent with the rules and guidelines adopted under RCW 43.21C.110, to adopt rules pertaining to the integration of policies and procedures of the State Environmental Policy Act of 1971, into the various programs under their jurisdiction for implementation.

[Statutory Authority: 1985 c 446 § 10. 85-24-072 (Order 85-17), § 399-40-010, filed 12/4/85.]

## **399-40-020**

Statement.

Pursuant to WAC 197-11-800(14), the public works board has reviewed its authorized activities and has found them all to be exempt under the provisions of chapter 197-11 WAC.

[Statutory Authority: RCW 43.155.040(4). 07-05-029, § 399-40-020, filed 2/13/07, effective 3/16/07; 92-03-051, § 399-40-020, filed 1/13/92, effective 2/13/92. Statutory Authority: 1985 c 446 § 10. 85-24-072 (Order 85-17), § 399-40-020, filed 12/4/85.]

## **Chapter 399-50 WAC** **Ethics in public service** **Chapter Listing**

### **WAC Sections**

- 399-50-010 Definitions.
- 399-50-020 Interest in contracts or loan agreements, projects, or loans.
- 399-50-030 Interest in transactions.

### **DISPOSITIONS OF SECTIONS FORMERLY CODIFIED IN THIS CHAPTER**

399-50-040 Disclosure of recusal. [Statutory Authority: RCW 43.155.040(5). 01-09-014, § 399-50-040, filed 4/6/01, effective 5/7/01. Statutory Authority: Chapter 42.52 RCW and RCW 43.155.040(4). 00-11-021, § 399-50-040, filed 5/9/00, effective 6/9/00.] Repealed by 07-05-029, filed 2/13/07, effective 3/16/07. Statutory Authority: RCW 43.155.040(4).

## **399-50-010**

Definitions.

(1) Unless another definition is given, words used in this chapter have the same meaning as in chapter 42.52 RCW, Ethics in public service.

(2) “Annual construction roster” means the prioritized list of projects recommended for funding, which is developed and submitted to the legislature before

November 1 of each year under RCW 43.155.070(4).

(3) “Beneficial interest” means the right to enjoy profit, benefit, or advantage from a contract or loan agreement or other property and also has the meaning given to it in Washington case law. Ownership interest in a mutual fund or similar investment pooling fund in which the owner has no management powers does not constitute a beneficial interest in the entities in which the fund or pool invests.

(4) “Project” means public works project as defined in RCW 43.155.020(6).

[Statutory Authority: RCW 43.155.040(4). 09-04-100, § 399-50-010, filed 2/4/09, effective 3/7/09; 07-05-029, § 399-50-010, filed 2/13/07, effective 3/16/07. Statutory Authority: Chapter 42.52 RCW and RCW 43.155.040(4). 00-11-021, § 399-50-010, filed 5/9/00, effective 6/9/00.]

## **399-50-020**

Interest in contracts or loan agreements, projects, or loans.

(1) When a member of the public works board is beneficially interested, directly or indirectly, in a loan agreement, project, or loan that may be made by, through, or under the supervision of the board, in whole or in part, or when the member accepts, directly or indirectly, any compensation, gratuity, or reward from any other person beneficially interested in such loan agreement, project, or loan, the member shall:

(a) Recuse him or herself from board discussion regarding the specific loan agreement, project, or loan;

(b) Recuse him or herself from the board vote on the specific loan agreement, project, or loan; and

(c) Refrain from attempting to influence the remaining board members in their discussion and vote regarding the specific loan agreement, project, or loan.

(2) The prohibition against discussion set forth in subsection (1)(a) and (c) of this section shall not prohibit the member of the board from using his or her general expertise to educate and provide general information on the subject area to the other members.

(3) Under subsection (1) of this section, “any other person” has a beneficial interest in a loan agreement, project, or loan when the other person bids, applies for, or otherwise seeks to be awarded the loan agreement,

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project, or loan.

## Example 1

Board member Sam Jones is an engineering consultant. Jones performs consulting work on a regular basis for the Evergreen County public works department. The board is asked to approve an emergency public works loan for Evergreen County. Jones should recuse himself from voting on or discussing this action because he receives compensation from a “person” (Evergreen County) beneficially interested in the proposed loan.

## Example 2

Board member Ima Kozy is the President and CEO of a firm that constructs roads and utilities. The board is asked to approve a list of loans for construction projects in various locations around the state. One of the projects is in the City of Destiny, where Ima’s firm frequently responds to solicitation for bids. If Ima wants her firm to be able to bid on the Destiny project, she should recuse herself from voting on this list or discussing this action.

If Ima does vote to approve the list or participates in discussing it, she will be prohibited by RCW 42.52.030 from receiving a direct or indirect beneficial interest in the loan agreement to Destiny, or from accepting compensation from another person beneficially interested in the loan agreement. Thus, neither she nor her firm may bid on the project.

[Statutory Authority: RCW 43.155.040(4). 09-04-100, § 399-50-020, filed 2/4/09, effective 3/7/09. Statutory Authority: Chapter 42.52 RCW and RCW 43.155.040(4). 00-11-021, § 399-50-020, filed 5/9/00, effective 6/9/00.]

## 399-50-030

Interest in transactions.

(1) When a member of the public works board either owns a beneficial interest in or is an officer, agent, employee or member of an entity or individual engaged in a transaction involving the board, the member shall:

(a) Recuse him or herself from board discussion regarding the specific transaction;

(b) Recuse him or herself from the board vote on the specific transaction; and

(c) Refrain from attempting to influence the remaining board members in their discussion and vote regarding the specific transaction.

(2) The prohibition against discussion and voting set forth in subsection (1)(a) and (c) of this section shall not prohibit the member of the board from using his or her general expertise to educate and provide general information on the subject area to the other members.

(3)(a) “Transaction involving the board” means a proceeding, application, submission, request for a ruling or other determination, loan agreement, project or proposed project, loan, claim, case, or other similar matter that the member in question believes, or has reason to believe:

(i) Is, or will be, the subject of board action; or

(ii) Is one to which the board is or will be a party; or

(iii) Is one in which the board has a direct and substantial proprietary interest.

(b) “Transaction involving the board” does not include the following: Preparation, consideration, or enactment of legislation, including appropriation of moneys in a budget, or the performance of legislative duties by a member; or a claim, case, lawsuit, or similar matter if the member did not participate in the underlying transaction involving the board that is the basis for the claim, case, or lawsuit. Rule making is not a “transaction involving the board.”

(4) “Board action” means any action on the part of the board, including, but not limited to:

(a) A decision, determination, finding, ruling, or order; and

(b) A grant, payment, award, license, loan agreement, transaction, sanction, or approval, or the denial thereof, or failure to act with respect to a decision, determination, finding, ruling, or order.

## Example 3

Board member Alice Lester is a director of the Starburst Sewer District. During presentation of the annual construction roster, the board is asked to consider adding projects to the roster based on various criteria developed by staff. The board’s choice of criteria will determine which additional projects will be funded. A sewer improvement project for the Starburst Sewer District is among those that may be added to the roster, depending on which criteria are selected. Lester should disclose her affiliation with Starburst and recuse herself from

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discussing on or voting on the criteria for funding additional projects, because she is an officer of an entity interested in a transaction before the board, specifically determination of funding criteria that will affect Starburst Sewer District.

[Statutory Authority: RCW 43.155.040(4). 09-04-100, § 399-50-030, filed 2/4/09, effective 3/7/09. Statutory Authority: Chapter 42.52 RCW and RCW 43.155.040(4). 00-11-021, § 399-50-030, filed 5/9/00, effective 6/9/00.]

# Enabling Legislation for DWSRF

## Chapter 70.119A.170 RCW

Drinking water assistance account — Drinking water assistance administrative account — Drinking water assistance repayment account — Program to provide financial assistance to public water systems — Responsibilities.

(1) A drinking water assistance account is created in the state treasury. Such subaccounts as are necessary to carry out the purposes of this chapter are permitted to be established within the account. Therefore, the drinking water assistance administrative account and the drinking water assistance repayment account are created in the state treasury. The purpose of the account is to allow the state to use any federal funds that become available to states from congress to fund a state revolving loan fund program as part of the reauthorization of the federal safe drinking water act. Expenditures from the account may only be made by the secretary, the public works board, or the \*department of community, trade, and economic development, after appropriation. Moneys in the account may only be used, consistent with federal law, to assist water systems to provide safe drinking water through a program administered through the department of health, the public works board, and the \*department of community, trade, and economic development and for other activities authorized under federal law. Money may be placed in the account from the proceeds of bonds when authorized by the legislature, transfers from other state funds or accounts, federal capitalization grants or other financial assistance, all repayments of moneys borrowed from the account, all interest payments made by borrowers from the account or otherwise earned on the account, or any other lawful source. All interest earned on moneys deposited in the account, including repayments, shall remain in the account and may be used for any eligible purpose. Moneys in the account may only be used to assist local governments and water systems to provide safe and reliable drinking water, for other services and assistance authorized by federal law to be funded from these federal funds, and to administer the program.

(2) The department and the public works board shall establish and maintain a program to use the moneys in the drinking water assistance account as provided by the federal government under the safe drinking water act. The department and the public works board, in consultation with purveyors, local governments, local health jurisdictions, financial institutions, commercial construction interests, other state agencies, and other affected and interested parties, shall by January 1, 1999,

adopt final joint rules and requirements for the provision of financial assistance to public water systems as authorized under federal law. Prior to the effective date of the final rules, the department and the public works board may establish and utilize guidelines for the sole purpose of ensuring the timely procurement of financial assistance from the federal government under the safe drinking water act, but such guidelines shall be converted to rules by January 1, 1999. The department and the public works board shall make every reasonable effort to ensure the state's receipt and disbursement of federal funds to eligible public water systems as quickly as possible after the federal government has made them available. By December 15, 1997, the department and the public works board shall provide a report to the appropriate committees of the legislature reflecting the input from the affected interests and parties on the status of the program. The report shall include significant issues and concerns, the status of rule making and guidelines, and a plan for the adoption of final rules.

(3) If the department, public works board, or any other department, agency, board, or commission of state government participates in providing service under this section, the administering entity shall endeavor to provide cost-effective and timely services. Mechanisms to provide cost-effective and timely services include: (a) Adopting federal guidelines by reference into administrative rules; (b) using existing management mechanisms rather than creating new administrative structures; (c) investigating the use of service contracts, either with other governmental entities or with nongovernmental service providers; (d) the use of joint or combined financial assistance applications; and (e) any other method or practice designed to streamline and expedite the delivery of services and financial assistance.

(4) The department shall have the authority to establish assistance priorities and carry out oversight and related activities, other than financial administration, with respect to assistance provided with federal funds. The department, the public works board, and the \*department of community, trade, and economic development shall jointly develop, with the assistance of water purveyors and other affected and interested parties, a memorandum of understanding setting forth responsibilities and duties for each of the parties. The memorandum of understanding at a minimum, shall include:

(a) Responsibility for developing guidelines for providing assistance to public water systems and related

# Enabling Legislation for DWSRF

oversight prioritization and oversight responsibilities including requirements for prioritization of loans or other financial assistance to public water systems;

(b) Department submittal of preapplication information to the public works board for review and comment;

(c) Department submittal of a prioritized list of projects to the public works board for determination of:

(i) Financial capability of the applicant; and

(ii) Readiness to proceed, or the ability of the applicant to promptly commence the project;

(d) A process for determining consistency with existing water resource planning and management, including coordinated water supply plans, regional water resource plans, and comprehensive plans under the growth management act, chapter 36.70A RCW;

(e) A determination of:

(i) Least-cost solutions, including consolidation and restructuring of small systems, where appropriate, into more economical units;

(ii) The provision of regional facilities;

(iii) Projects and activities that facilitate compliance with the federal safe drinking water act; and

(iv) Projects and activities that are intended to achieve the public health objectives of federal and state drinking water laws;

(f) Implementation of water conservation and other demand management measures consistent with state guidelines for water utilities;

(g) Assistance for the necessary planning and engineering to assure that consistency, coordination, and proper professional review are incorporated into projects or activities proposed for funding;

(h) Minimum standards for water system capacity, financial viability, and water system planning;

(i) Testing and evaluation of the water quality of the state's public water system to assure that priority for financial assistance is provided to systems and areas with threats to public health from contaminated supplies and reduce in appropriate cases the substantial increases in costs and rates that customers of small systems would

otherwise incur under the monitoring and testing requirements of the federal safe drinking water act;

(j) Coordination, to the maximum extent possible, with other state programs that provide financial assistance to public water systems and state programs that address existing or potential water quality or drinking contamination problems;

(k) Definitions of "affordability" and "disadvantaged community" that are consistent with these and similar terms in use by other state or federal assistance programs;

(l) Criteria for the financial assistance program for public water systems, which shall include, but are not limited to:

(i) Determining projects addressing the most serious risk to human health;

(ii) Determining the capacity of the system to effectively manage its resources, including meeting state financial viability criteria; and

(iii) Determining the relative benefit to the community served; and

(m) Ensure that each agency fulfills the audit, accounting, and reporting requirements under federal law for its portion of the administration of this program.

(5) The department and the public works board shall begin the process to disburse funds no later than October 1, 1997, and shall adopt such rules as are necessary under chapter 34.05 RCW to administer the program by January 1, 1999.

[2001 c 141 § 4; 1997 c 218 § 4; 1995 c 376 § 10.]

Notes:

\*Reviser's note: The "department of community, trade, and economic development" was renamed the "department of commerce" by 2009 c 565.

Purpose -- 2001 c 141: See note following RCW 43.84.092.

Findings -- Effective date -- 1997 c 218: See notes following RCW 70.119.030.

Findings -- 1995 c 376: See note following RCW 70.116.060.

# Acronyms

ADA:	Americans With Disabilities Act		Elimination System
ARRA:	American Recovery and Reinvestment Act	OFM:	Washington State Office of Financial Management
BOD:	Biochemical Oxygen Demand	PCI:	Pavement Condition Index
BRAC:	Bridge Replacement Advisory Committee	PMS	Pavement Management System
CAU:	Contracts Administration Unit	PNP:	Private Non-Profit
COM:	Washington State Department of Commerce	PP:	Private For Profit
CSO:	Combined Sewer Overflows	PSP:	Puget Sound Partnership
CSR:	Client Services Representative	PUD:	Public Utility District
CTP:	Comprehensive Transportation Plan	PWB:	Public Works Board
CWA:	Clean Water Act	PWAA:	Public Works Assistance Account
DOE:	Washington State Department of Ecology	PWTF:	Public Works Trust Fund
DOH:	Washington State Department of Health	REET:	Real Estate Excise Tax
DOR:	Washington State Department of Revenue	ROW:	Right of Way
DOT:	Washington State Department of Transportation	SCADA:	Supervisory Control and Data Acquisition
DWSRF:	Drinking Water State Revolving Fund	SCG:	Small Communities in Rural Counties Grant Program
ELP:	Emergency Loan Program	SDWA:	Safe Drinking Water Act
EPA:	Environmental Protection Agency	SEPA:	State Environmental Policy Act
ERU:	Equivalent Residential Unit	SRF:	State Revolving Fund (Department of Ecology)
ESA:	Endangered Species Act	SWTR:	Surface Water Treatment Rule
GHG:	Greenhouse Gases	TA:	Technical Assistance
GMA:	Growth Management ACT	TAIS:	Technical Assistance Investment Strategy
GPD:	Gallons Per Day	TIB:	Washington State Transportation Improvement Board
GPM:	Gallons Per Minute	TMDL:	Total Maximum Daily Load
JDF:	Job Development Fund	UGA:	Urban Growth Area
L & I:	Washington State Department of Labor and Industries	USDA-RD:	United States Department of Agriculture Rural Development
LOS:	Level of Service	UV:	Ultraviolet
LOST:	Local Area Sales Tax	UVG:	Urban Vitality Grant Program
MCL:	Maximum Contaminant Level	W/S:	Water/Sewer
MGD:	Million Gallons Per Day	WRIA:	Water Resource Inventory Area
MHI:	Median Household Income	WWTF:	Waste Water Treatment Facility
NEPA:	National Environmental Policy Act	WWTP:	Waste Water Treatment Plant
NPDES:	National Pollutant Discharge		