

WAC 246-296-150 DWSRF loan conditions. (1) A borrower shall comply with all applicable laws, regulations, and requirements.

(2) A DWSRF loan agreement must address applicable federal, state, and local laws, orders, regulations, and permits; including, but not limited to:

- (a) Procurement;
- (b) Nondiscrimination;
- (c) Labor;
- (d) Job safety;
- (e) National Historic Preservation Act;
- (f) Drug-free environments; and
- (g) State and federal disadvantaged business regulations, such as those designed to help minority and women-owned businesses.

(3) A borrower shall maintain accounting records that conform to generally accepted government accounting standards issued by the Comptroller General of the United States, available at <http://www.gao.gov/yellowbook>;

(4) A borrower shall document its legal ability to:

- (a) Provide a dedicated source of revenue; and
- (b) Guarantee the repayment of the DWSRF loan from that dedicated source. Dedicated sources of revenue may include:

- (i) Special assessments;
- (ii) General taxes;
- (iii) General obligation bonds;
- (iv) Revenue bonds;
- (v) User charges;
- (vi) Rates;
- (vii) Fees; and
- (viii) Other sources.

(5) A borrower shall submit a construction completion report for all project components and other documentation as required under chapter 246-290 WAC.

(6) A borrower shall comply with any EPA or department orders and compliance schedules during the term of the DWSRF loan agreement.

(7) The department and the borrower shall approve amendments to the DWSRF loan agreement as needed.

(a) The DWSRF loan agreement must be amended:

- (i) For significant changes to the project's original ranked application and project scope of work; or
- (ii) If additional time is needed to complete project activities.

(b) Amendments to the DWSRF loan agreement are not required when adjustments are made at loan closeout to reconcile minor differences between the contract and the completed project.

(8) The department, or its authorized auditor shall audit the borrower's records.

(9) The department may terminate the DWSRF loan agreement in whole or in part at any time if the borrower:

- (a) Fails to comply with the terms of the DWSRF loan agreement under this chapter; or
- (b) Uses the DWSRF loan proceeds for activities other than those identified in the DWSRF loan agreement.

(10) The department shall, upon termination of a DWSRF loan agreement:

- (a) Promptly notify the borrower in writing of its:
 - (i) Decision to terminate the loan agreement;
 - (ii) Reason for terminating the loan agreement;
 - (iii) Effective date of termination; and

(b) Require immediate payment of the entire remaining balance of the DWSRF loan and any interest accrued.

[Statutory Authority: RCW 70.119A.170 as amended by 2016 c 111. WSR 16-14-086, § 246-296-150, filed 7/5/16, effective 8/5/16. Statutory Authority: RCW 70.119A.170 and Federal Safe Drinking Water Act, H.R. 1452. WSR 12-01-077, § 246-296-150, filed 12/19/11, effective 2/1/12. Statutory Authority: RCW 70.119A.170. WSR 01-21-137, § 246-296-150, filed 10/24/01, effective 11/24/01.]