



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

Lead Service Line Loan Cycle

March 2023 Webinar

Jocelyne Gray, PE, WDM4, CCS

DWSRF Environmental Engineer

564-669-4893

Jocelyne.Gray@doh.wa.gov

DWSRF Program

DWSRF Purpose

- Increase public health protection and compliance with drinking water regulations.
- Reimbursements through low-interest loans.
- Funded through U.S. Environmental Protection Agency (EPA), state match, and loan repayments.
- Current information about our program is located at www.doh.wa.gov/DWSRF - we regularly update the webpage.

Agenda

- Organization
- Lead Service Lines Loan Program
- Bipartisan Infrastructure Law (BIL) Requirements
- Disadvantaged Community (DAC)
- Washington Loan Tracker (WALT)
- Wrap Up

DWSRF Staff Organization

Mike Means

Capacity Development & Policy Manager

Vacant

Program Manager

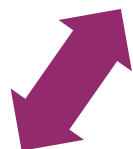
Jocelyne Gray
*Environmental
Engineer*

Sara Herrera
*Program
Assistant*

Scott Kugel
*Cultural and
Environmental Program
Specialist*

DWSRF Team

DWSRF HQ
Staff

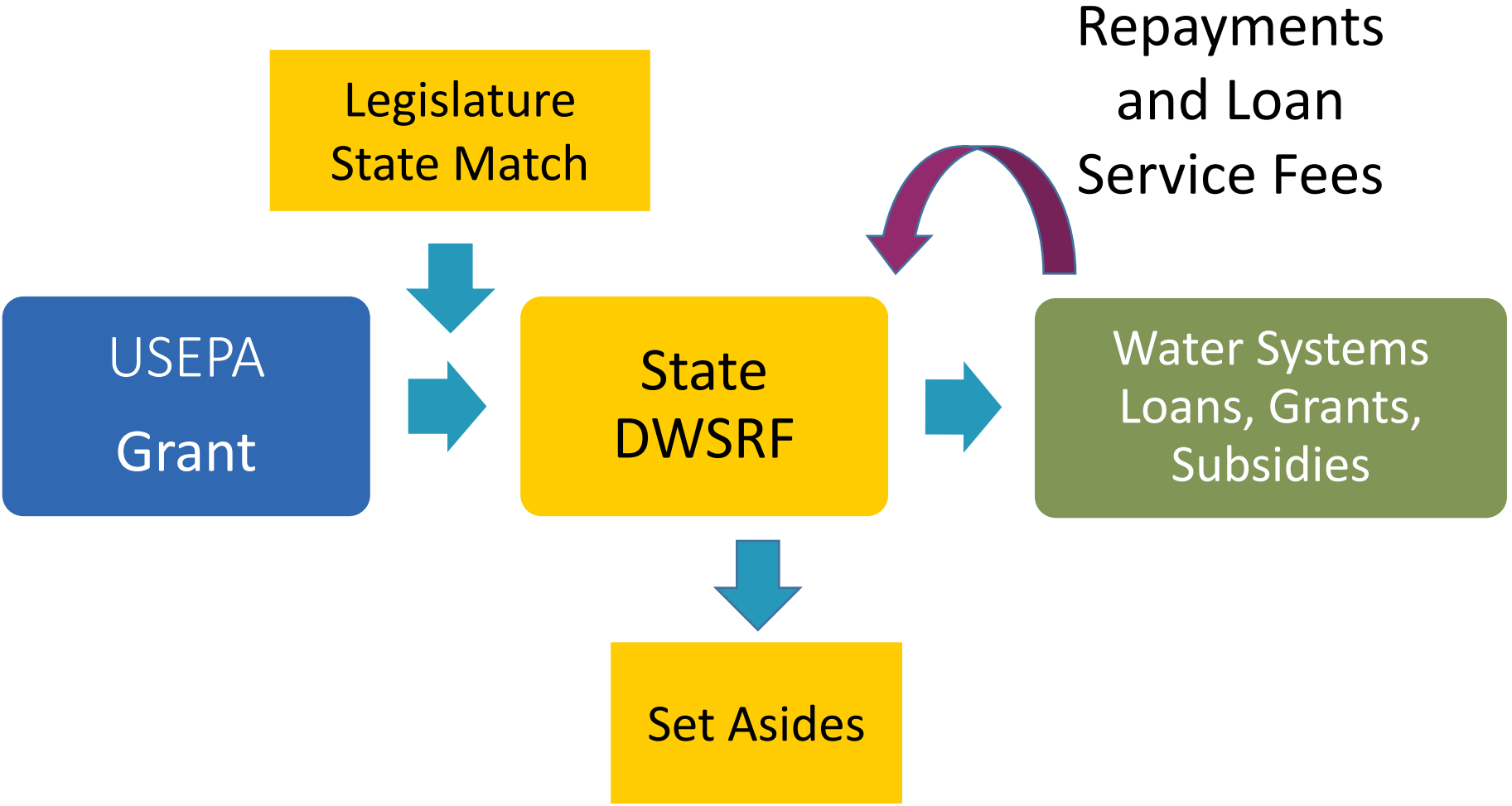


Regional
Offices



Underwriting &
Contracts Managers

Flow of Funds



Lead Service Line Loan Funding

- Lead Service Line (LSL) Loans ~ 126 million
 - 49% for subsidy to disadvantaged communities
 - 51% as loans
- April 1 to April 28, 2023

Lead Service Line Loan Funding Eligibility

- Eligible Applicants:
 - Public or privately owned Group A community water systems
 - Group A not-for-profit non-community water systems – NTNCs and TNCs
 - Schools
 - Churches
 - Daycares
 - Federally-recognized Tribes that do not receive Indian Tribes and Alaska Native Villages set asides.

Lead Service Line Loan Funding Eligibility

- Ineligible Applicants:
 - For-profit non-community water systems
 - Federally or state owned water systems
 - Group B water systems
 - Water systems with insufficient technical, managerial, and financial capacity – unless, the system agrees to appropriate required by the state
 - Systems in significant noncompliance with primary water quality – unless the funded project will ensure compliance

Lead Service Line Loan Funding Eligibility

- Eligible Projects:
 - Mandatory service line inventories – potholing requires cultural and historical review
 - Staff or contractor to complete the inventory.
 - Service line replacements for lead lines and galvanized lines to be replaced under Lead and Copper Rule. Can replace pre-1986 lead ban service meters if they contain lead components.

Lead Service Line Loan Funding Eligibility

- Ineligible Activities:
 - Replacement of post-1986 service meter replacement
 - Service meter installation

Lead Service Line Inventory Loans

Lead Service Line **Inventory** Loan

\$25,000 Min
Award

2%
Service
Fee

0%
Interest

10 Year
Loan
Term

BIL LSLR

First Come
First Served

Complete by
October 16, 2024

Lead Service Line **Inventory** Eligible Projects

- Development of inventories due to DOH by October 16, 2024 – EPA Requirement!
- Must inventory residential, commercial, industrial, and government service lines.
- Methods used to identify service line materials up to the water system.
- Potholing requires cultural and historical review for each site.
- If you might replace eligible service lines as you find them, include replacement in your application.
- Systems required to use funding to develop or update a planning document – SWSMP or WSP.

Lead Service Line Replacement Loans

Lead Service Line **Replacement** Loan

\$25,000 Min
Award

Complete in
2 Years

Pre-1986 Lead
Ban Service
Meters

2.25%
Interest

10 Year
Loan
Term

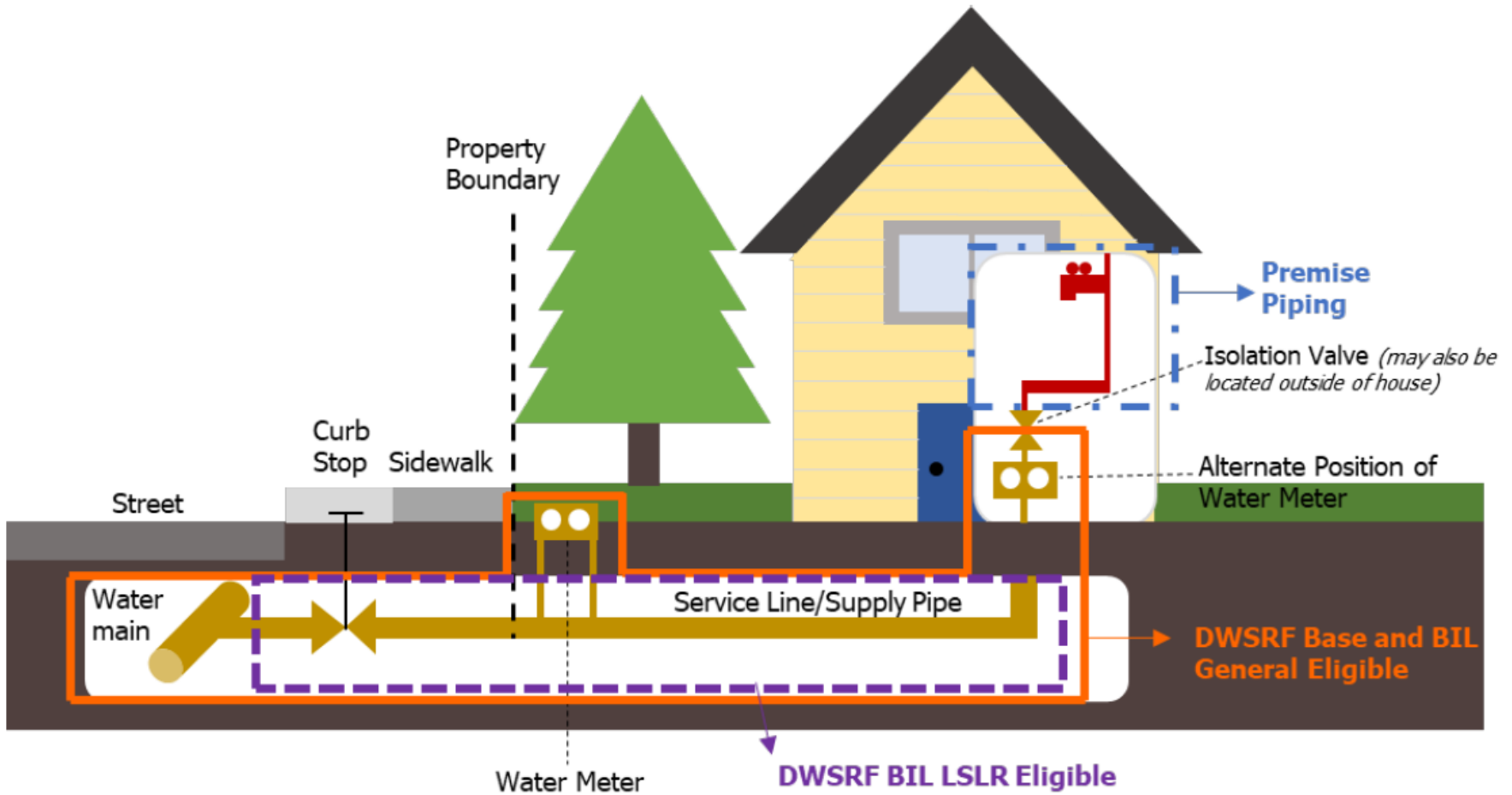
2%
Service
Fee

BIL LSLR

Lead Service Line **Replacement** Eligible Projects

- Same pot as the LSL Inventory projects
- Replace entire lead service line (both the utility and the customer-owned portions) and appurtenances (goosenecks, pigtails, connectors, curb stops, curb stop boxes – **no partial replacements**).
- Replace galvanized service lines
 - If downstream of a known or unknown lead service line or connector.
- **Some service meter replacement** – meters must predate 1986 lead ban and contain lead or brass components.
- Site restoration on private property –landscaping, sidewalks, driveways

Full Service Line Replacement



Source: United States Environmental Protection Agency

LSL Replacement Scoring

LSL Replacement Scoring

Readiness to Proceed	Points
<p>Construction and/or bid documents are complete Submit approval letter from your ODW regional office.</p>	2
<p>Permit status</p>	2
<p>Private property access Must have signed agreements from each property owner that has agreed to the service line replacement.</p>	4
<p>Status of SEPA/NEPA Full points for full completion. Partial points for in process status.</p>	Up to 4
<p>Status of cultural and historical review. Full points for final determination. Partial points for in process status or completion of WA 05-05 determination.</p>	Up to 4

Bipartisan Infrastructure Law (BIL) or
Infrastructure Investment and Jobs Act (IIJA)

BIL Requirements for LSL Replacement Loan

Build America Buy America
(BABA)

American Iron and Steel (AIS)

Davis Bacon Act
(Prevailing Wage)

DWSRF Rules Apply

Disadvantaged
Community (DAC)

BIL Requirements for LSL Replacement Loan

- DWSRF Rules apply – **MUST** have a current and approved planning document for LSL Replacement projects.
- Cultural and environmental reviews required for any ground disturbance.
- Project report and construction documents required for LSL Replacements – where are you replacing the service lines, provide specifications contractor will use.

Build America Buy America (BABA)

American Iron and Steel (AIS)

Manufactured Products

Construction Materials

AIS Covered Products

American Iron and Steel (AIS)

Lined or Unlined Pipes or Fittings

Manhole Covers

Municipal Castings

Hydrants

Tanks

Flanges

Valves

Piping Clamps and Restraints

Structural Steel

Reinforced Precast Concrete

Ferrous Construction Materials

- Concrete Reinforcing Bar, Rebar, Wire Rod
- Fasteners
- Framing, Joists, Trusses
- Decking, Grating, Railings, Stairs, Ladders
- Fencing, Doors, Door Hardware

Manufactured Products

Manufactured Products

Cost of components must be 55 percent in the US:

- Mined
- Produced
- Manufactured

Construction Materials Covered

Construction Materials

Non-ferrous Metals

Plastics and Polymer-based

Lumber

Glass

Brick

Engineered Wood Products

Drywalls

Coatings

BABA Waivers

- Adjustment Period Waiver - projects under design prior to May 14, 2022
- De Minimis Purchases Waiver
 - Iron and steel
 - Iron and steel components of manufactured goods
 - 5 percent of the total project cost
- Small Project/Award Threshold – under \$250,000
- Can request Availability Waiver

Disadvantaged Communities

Prioritizing Disadvantaged Communities (DAC)

- Current permanent WAC 246-296 definition based on water rates and Median Household Income (MHI)
- Emergency rulemaking for definition
 - Serve less than 3300 people – OR –
 - Located in a county designated as rural by Office of Financial Management
 - AND –
 - Then evaluate disadvantaged status

Small Disadvantaged Communities (DAC)

Less Than 3300 People

AND

Disadvantaged on Climate and Economic Justice Screening Tool

OR

Household Burden Indicator



Poverty Prevalence Indicator



Moderate-High Burden or Greater

Climate and Economic Screening Tool

Zoom in + , search 🔍 , or locate yourself 📍 and select to see information about any census tract.

Things to know:

The tool uses census tracts 🗺️ . Census tracts are a small unit of geography. They generally have populations 👥 of between 1,200 - 8,000 people.

Communities that are disadvantaged live in tracts that experience burdens. These tracts are highlighted 🔵 on the map.

The tool ranks most of the burdens using percentiles 📊 . Percentiles show how much burden each tract experiences when

U.S. territories note

Not all the data used in the tool are available or used for all U.S. territories.

Help improv

Climate and Economic Screening Tool

The screenshot displays the 'screeningtool.geoplatform.gov' interface. The browser address bar shows the URL: `screeningtool.geoplatform.gov/en/#8.62/47.0617/-119.567`. The top navigation bar includes links for EHAPPS, Drinking Water, EPA, Funding, Laws, Admin, HR, Citrix Access, DOH, SharePoint, State Agencies, Junk Mail, and CREST. The main map area shows a geographical view of Grant County, Washington, with a blue outline highlighting a specific tract. The sidebar on the right provides the following information:

- County: Grant County
- State: Washington
- Population: 2,984
- Tract demographics**
- Race / Ethnicity ([show](#) ▾)
- Age ([show](#) ▾)
- Identified as disadvantaged?**
- YES**
- This tract is considered disadvantaged because it meets burden threshold **AND** the associated socioeconomic threshold.
- [Send feedback](#) ↗
- Climate change +
- Energy +
- Health +

AWWA Household Burden and Poverty Prevalence

Household Burden Indicator	Poverty Prevalence Indicator		
	Greater Than 35 Percent	Between 20 and 35 Percent	Less Than 20 Percent
Greater Than 10 Percent	Very High Burden	High Burden	Moderate-High Burden
Between 7 and 10 Percent	High Burden	Moderate-High Burden	Moderate-Low Burden
Less Than 7 Percent	Moderate-High Burden	Moderate-Low Burden	Low Burden

Rural Disadvantaged Communities (DAC)

In a Rural County Per
Office of Financial Management

AND

Disadvantaged on Climate and
Economic Justice Screening Tool

OR

Household
Burden
Indicator



Poverty
Prevalence
Indicator



Moderate-High
Burden or
Greater

Office of Financial Management

Counties with a population density less than 100 persons per square mile or counties smaller than 225 square miles as of April 1, 2022

Adams (10.96)	Grays Harbor (40.18)	San Juan (104.36)
Asotin (35.53)	Island (420.68)	Skagit (75.86)
Chelan (27.61)	Jefferson (18.49)	Skamania (7.18)
Clallam (44.64)	Kittitas (20.55)	Stevens (18.99)
Columbia (4.55)	Klickitat (12.37)	Wahkiakum (17.21)
Cowlitz (98.45)	Lewis (34.71)	Walla Walla (49.31)
Douglas (24.19)	Lincoln (4.78)	Whitman (22.14)
Ferry (3.31)	Mason (68.99)	Yakima (60.53)
Franklin (80.34)	Okanogan (8.11)	
Garfield (3.24)	Pacific (25.28)	
Grant (37.99)	Pend Oreille (9.73)	

WAshington Loan Tracker (WALT)

How to Apply Online Using WALT

You may submit applications for funding opportunities, check the status of your application, and submit applicable documentation through WALT.

If you are new to WALT you must contact Sara Herrera.

For WALT Pre-registration and other user help, please email DWSRF@DOH.WA.GOV.

Please refer to the [Washington Loan Tracking External User Guide 331-614 \(PDF\)](#).

Wrap Up LSL Overview

Planning Document Approved and Current

CALL YOUR REGIONAL PLANNER!

Eastern

Jamie
Clark

Brenda
Smits

Northwest

Jennifer
Kropack

Richard
Rodriguez

Southwest

Deborah
Johnson

Trainings

- April 4 at 10 am – Microsoft Teams
Lead Service Line Loan Q&A
- Information on our webpage at doh.wa.gov/dwsrf

Take Aways

- Record breaking dollars available for the next four years
- Inventories to include planning document
- Must replace entire service line
- Is your plan up to date? CALL your Regional Planner
- Register for WALT
- More information at www.doh.wa.gov/dwsrf
- Questions about DWSRF email DWSRF@doh.wa.gov or contact Jocelyne.gray@doh.wa.gov at (564) 669-4893.

Questions?

