

# Washington State Drinking Water State Revolving Fund

**Intended Use Plan**

**Federal Fiscal Year 2023**

**BIL Lead Service Line Replacement Grant**

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# Intended Use Plan Lead Service Line Replacement Federal Fiscal Year 2022 Grant

## 1. Introduction

Congress established the Drinking Water State Revolving Fund (DWSRF) in August 1996 as part of the reauthorized federal Safe Drinking Water Act (SDWA). The DWSRF Program finances drinking water projects and activities to protect public health and achieve or maintain compliance with the SDWA.

Congress passed the Infrastructure and Investment Jobs Act (IIJA), also known as the Bipartisan Infrastructure Law (BIL) in November 2021 allocating \$50 billion to the U.S. Environmental Protection Agency (EPA) over five years, 2022 through 2026, to invest in clean water and drinking water systems. A portion of this funding, \$11 billion, is for Lead Service Line (LSL) Inventory and Replacement projects.

The SDWA authorizes the EPA to award annual LSL capitalization grants to each state for a revolving construction loan program and other assistance to public water systems.

### **EPA awards federal DWSRF lead service line grants to states for:**

- ◆ **Set-Asides.** Funds for DWSRF Program administration and non-construction projects used to ensure compliance with the SDWA.
- ◆ **Capital Loan Fund.** Helps eligible water systems identify and replace lead service lines to protect public health by funding LSL inventories and service line replacements for lines identified as lead or galvanized needing replacement.

To access the fund, each state must submit an LSL Inventory and Replacement grant application to EPA. In addition, each state's grant application must include an annual Intended Use Plan (IUP), which describes how the state intends to use available funds. As the agency responsible for ensuring compliance with the SDWA in Washington, the state Department of Health (Health) submits the grant application to EPA.

## Washington's Federal Fiscal Year 2022 Lead Service Line Intended Use Plan

In federal fiscal year 2022 (FFY 2022), Congress appropriated \$3,000,000,000 to EPA for the national DWSRF Program for LSL inventory and replacement, EPA then appropriated funds to the states based on their statewide needs assessment. Washington was allotted \$63,336,000 from EPA to fund lead service line inventory or replacement projects. Washington is applying for \$85,000 to fund a lead service line inventory project ranked and placed on the priority list for federal fiscal year 2022 (FFY2022). Washington uses 100 percent of the requested LSL capitalization grant for LSL inventory loans.

As of April 30, 2023, Washington has a cash balance of approximately \$3.9 million (generated from loan service fees) for ongoing administration of the revolving fund loan program. The loan service fee is 2.0 percent for the LSL Inventory loan cycle and 1.0 percent for the LSL Replacement loan cycle. The loan fee is waived for those receiving subsidy. The LSL Inventory loan is a 0.0 percent interest loan to promote this critical work. The standard interest rate for LSL Replacement loan is 2.25 percent and

reduced to 1.75 percent for those projects receiving subsidy. We did not receive any LSL Replacement applications.

**Washington used public participation to develop this year's loan list for the IUP, which includes:**

- ◆ Status of Washington's DWSRF Program.
- ◆ Washington's process and allocation of LSL loan funds.
- ◆ Washington's determination of loan eligibility and funding prioritization.
- ◆ Intended uses of additional subsidization.
- ◆ Prioritized-project funding list from DWSRF 2023 Lead Service Line Loan cycle.

## 2. Congressional Priorities

Congress established guidelines for states to use, to the maximum extent possible, to prioritize project spending. Below, Health explains how Washington complies with the priorities in each guide.

**Projects that address the most serious public health risk.** We base our priority ranking of projects on public health risk. We rank projects that address lead service line replacement. Washington did not receive any replacement project applications. LSL Inventory projects were ranked on a first come, first served basis.

**Projects necessary to ensure compliance with SDWA requirements.** We review all applications with respect to compliance with the SDWA and the lead and copper rule. Supporting lead service line inventories and replacement projects ensures continued compliance with the SDWA.

**Assistance should be provided to systems most in need, on a per household basis, according to state affordability criteria.** We allow all eligible community water system applicants to request consideration for subsidy based on the water system being identified as a disadvantaged community. The water system must be either small, serving less than 3,300 people, or located in a county designated as rural by the Washington State Office of Financial Management. Thirty of the 39 counties are designated rural. If the water system fits either criterion, we review the federal [Climate and Economic Justice Screening Tool map](#) to see if the water system serves a majority of disadvantaged census tracts. Or the water system is in a geographic area where the combined household burden indicator and poverty prevalence indicator results in a moderate-high burden or above.

All noncommunity systems were deemed subsidy-ineligible. Noncommunity water systems do not supply water to households; and therefore, they cannot meet the federal requirement to base affordability on a "per household basis."

**Provide 49 percent of the BIL DWSRF LSL Replacement Grant as loan subsidy to eligible recipients.** We gave systems serving disadvantaged communities about \$41,650 in subsidies (Table 1, Page 6).

For the 2023 LSL funding cycle (FFY2022), the basic loan rate (as advertised in the 2023 DWSRF LSL Loan Guidelines) is a ten-year fixed-rate loan with 2.25 percent interest for LSL replacement and 0.0 percent interest for LSL inventory. We did not receive any LSL replacement project applications.

To ensure subsidization goal of 49 percent is met for this LSL grant, we established an emergency rule to allow up to 100 percent subsidy for water systems that meet the disadvantaged community definition. We awarded \$41,650 (49 percent) as subsidy from the BIL LSL grant.

**Table 1**

Summary of Washington Subsidy Awards							
SRF/ SFY Year	Cap Grant Amount	Subsidy Required	Subsidy Awarded	% Subsidy Awarded	Subsidy Expended	% Subsidy Expended	Notes
27/ 2024	\$85,000	49%	\$41,650	49%	N/A	N/A	We need to execute contracts
<b>Total</b>	<b>\$85,000</b>		<b>\$41,650</b>		<b>\$0</b>		

### 3. Washington’s Program Goals

We developed the following goals to sustain our DWSRF program over time and to ensure compliance with the performance standards in EPA’s Environmental Results Goals.

**DWSRF Mission:** The DWSRF program helps water systems by providing affordable financing to eligible entities for planning, designing, and constructing public water facilities that provide safe and reliable drinking water.

**Vision:** Washington state is a national leader in providing comprehensive financial and technical support to water systems.

**Goals:** Washington state’s public water systems are safe, reliable, and sustainable, and water is affordable for all citizens.

**Philosophy:** The overall philosophy of the Washington state DWSRF is to maximize the availability of DWSRF funds for project construction.

#### Short-Term LSL Inventory and Replacement Goals

- ◆ Target 100 percent compliance with the SDWA’s Lead and Copper Revised Rule (LCRR) service line inventory requirements.
  - Educate water systems on the LCRR service line inventory requirement and replacement requirements and goals.
  - Research and provide information on local jurisdiction lead bans.
- ◆ Ensure that at least 49 percent of the available BIL lead service line replacement capitalization grant funds provide financial assistance to disadvantaged communities.
  - Technical assistance providers and DWSRF staff are available to help systems prepare for LSL loans, such as assistance with rate setting, training on DWSRF LSL loan funding, and income surveys.
  - Continue to evaluate our disadvantage community definition.
  - Increase water system understanding and awareness of the LCRR requirements, specifically the lead service line inventory requirements.
  - Coordinate with federal and state technical assistance providers to expand support and ensure funding eligibility for disadvantaged communities that aligns with Healthy Environment for All (HEAL) Act and Justice 40 initiatives.

- Educate water systems about the DWSRF LSL Loan Program before each loan cycle and develop an educational campaign.
- ◆ Review and implement process improvement efficiencies.
  - Provide training and resources on DWSRF online application (WALT) to internal and external stakeholders.
  - Provide one-on-one contract training with each applicant approved for an LSL loan.
  - Continue to evaluate the state’s disadvantaged community definition.
  - Continue preparation and planning for BIL LSL funding.

## Long-Term Goals

- ◆ Acknowledge and address household affordability constraints.
  - Continue to evaluate and address household affordability and how to capture urban disadvantaged communities within the service area of a public water system that does not meet our current affordability criteria.
- ◆ Continuously improve the DWSRF Program so we are more efficient and better able to serve our customers.
  - Improve the online application process.
  - Maintain ability to award additional funding for existing DWSRF loans to address escalating construction costs that exceed funding amount and allow project completion.
  - Continue to include planning documents in LSL Loans to allow systems to better prepare for infrastructure improvements.
  - Develop technical assistance contracts to support small and disadvantaged communities in completing LSL inventories and identifying unknown service lines.

## Environmental Results Goals

Washington’s DWSRF program supports EPA’s strategic planning Goal 5, “Ensuring Clean and Safe Water for All Communities” and strategic Objective 5.1, “Ensuring Safe Drinking Water and Reliable Infrastructure” by protecting public health from the risk of exposure to lead. Our program provides funding to help achieve this federal performance standard.

An additional objective of the program is to promote environmental justice and resilience in accordance with Goal 2 of EPA’s Strategic Plan, “Take Decisive Action to Advance Environmental Justice and Civil Rights”.

## 4. Set-Aside Activities

Washington state will not apply for the LSL Replacement set-aside funds. We will use set-asides from other sources (DWSRF base and BIL Stimulus) for technical assistance.

## 5. Loan Funding

In April 2023, we received and reviewed four LSL inventory loan applications with a total request of over \$972,590. We will fund only one project on our Project Priority List (PPL) totaling approximately \$85,000 due to federal requirements to provide 49 percent of the funding as subsidy to disadvantage communities. Eligible entities for DWSRF LSL Inventory Loan funding are:

- ◆ Community water systems, including publicly and privately owned systems. For-profit community water systems are eligible for a construction loan but are not eligible for subsidy.
- ◆ Not-for-profit noncommunity water systems.

Appendix B shows Washington’s recommended 2023 spring DWSRF Draft LSL Inventory PPL for FFY2022 DWSRF funding. We will execute a loan contract for this project after July 1, 2023.

The list in Appendix B is subject to change for the following reasons.

1. **Applicants receive alternative funding.** Applicants may receive grant or loan assistance from other funding sources, such as Rural Development, and no longer need DWSRF money.
2. **Applicants are “bypassed.”** Health’s underwriter reviews DWSRF applications for ability to repay the loan, ability to secure the loan, and readiness for the project to proceed. Applicants that fail to meet these criteria are “bypassed” (no longer considered for funding).
3. **Applicants withdraw from the process.** Applicants may choose to withdraw from the loan process for other reasons.

**Table 2**

Washington State Drinking Water State Revolving Fund Financial Status and Intended Uses of Funds FFY2022 Federal Lead Service Line Replacement Grant		
Category	Available Funds FFY 2022 Allotments	Intended Use (\$)
<b>Total Available</b>		
BIL Lead Service Line Replacement Grant	\$63,336,000	\$85,000
<b>Total Available for New Project Loans</b>	<b>\$63,336,000</b>	<b>\$85,000</b>

## 6. Criteria and Method for Distributing LSL Loan Funds

Money in the BIL LSL Project Fund can be used for:

- ◆ New loans for development of lead service line inventories including potholing service connections.
- ◆ New loans for lead service line replacements and site restoration.
- ◆ Reimbursements for executed LSL loan activities.



## 7. a. LSL Loans

### Loan applications

We accepted applications for the LSL Loan Program from April 1 to April 28, 2023. We received four applications requesting about \$975,590.

DWSRF staff provided information and technical assistance on the application process at multiple professional meetings and DWSRF-sponsored webinars. We notified stakeholders on the availability of the LSL loan through e-mails and updates to the DWSRF webpage. All information related to the 2023 DWSRF LSL Loan cycle was posted to the DWSRF webpage.

### Washington's eligibility and threshold review

Washington's eligibility criteria included all federal eligibility criteria plus several state criteria (Appendix A). Our DWSRF staff reviewed applications for eligibility.

Three applicants passed as we could not provide the full loan amount requested due to federal subsidy requirement. We will maintain all unfunded projects on the funding list to be funded in additional upcoming loan cycles.

### Washington's prioritization process

Applications for LSL inventories were accepted on a first come, first served basis. Our DWSRF and regional staff met on May 2, 2023, to discuss projects. As previously described, we assessed each project for its ability to receive principal forgiveness or subsidy. We awarded 49 percent subsidy, as shown in Appendix B. We will consider comments received during the public review when finalizing this IUP and the PPL.

### Water System Capacity Review

"Water system capacity" is an eligibility requirement for DWSRF loans.

Water system capacity is the operational, technical, managerial, and financial capability of the water system to achieve and maintain compliance with all relevant local, state, and federal plans and regulations. Water systems lacking the capacity to maintain compliance with the SDWA are not eligible for funding unless the system owner or operator agrees to initiate feasible and appropriate changes, or the financial assistance will ensure long-term compliance.

DWSRF applicants must demonstrate water system capacity. Demonstration means:

- ◆ Providing all information as requested in the application.
- ◆ The applicant must not have any outstanding audit findings related to technical managerial, or financial capacity.
- ◆ The applicant must show satisfactory performance and timeliness on currently held and open DWSRF funded projects.

## Financial Capacity

To protect the federal and state interest in the long-term viability of the loan program, Washington considers the applicant's ability to repay the loan. The financial evaluation includes reviewing three years of documentation (such as tax returns, budgets, balance sheets, bank statements, and business references) and conducting a detailed financial capacity analysis.

All recipients must dedicate a source of revenue to repay the loans. Some applicants will dedicate part of their general funds, and others will propose establishing or increasing user fees.

## 7. b. Lead Service Line Loan Process and List

### Bypass Process

We reserve the right to fund lower priority projects if higher priority projects are not ready or willing to proceed. In such instances, the state will comply with established bypass procedures.

We *bypass*, or do not recommend funding for, applicants unable to demonstrate ability to repay the loan, applicants with insufficient loan security, or projects not ready to proceed.

We offer technical assistance to help bypassed applicants meet the program requirements, so they can reapply in a future funding cycle, or provide information about other funding opportunities.

### Amending the Project Priority List

We coordinate closely with loan applicants that make the PPL. Some entities decline the loan due to factors, such as securing more favorable funding. If an approved project withdrew from the list, we move the highest-ranking unfunded project to the PPL.

### Loan Fees

Like many other states, Washington charges a nonrefundable loan service fee between 1.0 and 2.0 percent, and we incorporate the loan fee into the total loan request. The loan fee for the Lead Service Line Inventory Loan is 2.0 percent and 1.0 percent for the Lead Service Line Replacement Loan. For example, we assess a loan fee of \$10,000 on a Lead Service Line Inventory loan request for \$500,000—bringing the total loan to \$510,000 for the inventory loan. Washington retains the loan fee when the borrower makes the first loan draw. We structured our loan fee payment this way to have minimal effect on the size of annual loan payments. We waive the loan fee for subsidy recipients.

Washington deposits loan fees into a sub-account within the DWSRF dedicated account. On January 1, 2023, the cash balance of the loan fee account was approximately \$3.9 million. By statute, interest or other investment income accrued in this account remains in this account. We may withdraw funds from this account to reimburse the state loan program administration. However, if the state determines that the balance of the loan fee account exceeds short- and long-term program administration needs, we may transfer a portion of the funds to the project loan account to be used for project loans.

## Disadvantaged Communities

Disadvantaged community (DAC) is defined through an emergency rule just for the LSL loan cycle. DAC means a service area of a proposed project within a public water system and the water system: (a) serves less than 3,300 people; and is identified as a DAC in accordance with EPA’s Climate and Economic Justice Screening Tool or is in a geographic area where a combined household burden indicator and poverty prevalence indicator results in a moderate-high burden or above; or (b) service area is located in a rural county as defined by the Office of Financial Management; and is identified as a DAC in accordance with EPA’s Climate and Economic Justice Screening Tool or is in a geographic area where a combined household burden indicator and poverty prevalence indicator results in a moderate-high burden or above.

**Table 3**

<b>Loan Terms for 2023 Lead Service Line Loan Applications</b>			
<b>Income Level of Households</b>	<b>Interest Rate and Forgiveness</b>	<b>Loan Fee</b>	<b>Loan &amp; Fee Repayment Period</b>
<b>Lead Service Line Replacement Loans</b>			
Water system is not identified as disadvantaged	2.25% interest on loan	1.0% at loan execution	20 years or life of the project, whichever is less
Water system identified as disadvantaged	1.75% interest on loan, up to 100% principal forgiveness	No loan fee	30 years or life of the project, whichever is less
<b>Lead Service Line Inventory Loans</b>			
Water system is not identified as disadvantaged	0% interest on loan	2.0% at loan execution	10 years or life of the project, whichever is less
Water system identified as disadvantaged	0% interest on loan, up to 100% principal forgiveness	No loan fee	10 years or life of the project, whichever is less

## Environmental and Cultural Review Process

All funded construction loan projects undergo environmental and cultural reviews. Construction includes potholing or other ground disturbing investigative methods for LSL Inventories.

The DWSRF Program modified the State Environmental Review Process to better align with the State Environmental Policy Act (SEPA) process the Department of Ecology administers. The revised process will require SEPA checklists associated with DWSRF projects to be on Ecology’s SEPA website for public review and comment for 30 days. SEPA-exempt projects will continue to be required to perform public notification concurrent with the cultural review public notification. DWSRF LSL loan recipients will still be required to perform public notification for all cultural reviews.

### Project Priority List

See Appendix B for Washington’s final PPL for FFY2022 of the DWSRF LSL loan program. The list includes one eligible project totaling \$85,000.

It may take additional months for the funded applicant to address all loan requirements before each applicant signs its contract. Applicants will contractually have 24 months following contract execution to complete their projects.

See Appendix C for loan applications not funded due to applicant bypassing or loan could not be offered until additional loans to disadvantage communities can be identified.

## Federal Financial Accountability and Transparency Act reporting (Equivalency)

Washington is required to identify projects used to satisfy capitalization grant reporting requirements under the Federal Financial Accountability and Transparency Act (FFATA). See Table 4. As EPA requested, we will report only on DWSRF projects in an equivalent amount of each capitalization grant. The program will be moving to true “Equivalency” as is required for all “BIL” funding and has plans to meet with the Region 10 Administrator once their equivalency guidebook is available,

**Table 4**

Federal Fiscal Year 2022 Capitalization Grant Federal Funding Accountability and Transparency Act Reporting List				
<b>Total Federal Lead Service Line Capitalization Grants</b>				\$85,000
<b>Projects and set-asides used for FFATA reporting</b>				\$85,000
Loan #	Recipient	Project	Award	FFATA Reporting Amount
TBD	City of Centralia	Lead Service Line Inventory	\$85,000	\$85,000
<b>Total Projects to Report</b>			\$85,000	\$85,000

## 8. Public Participation

To advertise the availability of the 2023 spring Draft LSL Funding List, we will e-mail stakeholders on the availability of the IUP. Stakeholders include all regulated water systems, tribal entities, and state associations (such as water and sewer districts). The IUP was posted on our [DWSRF webpage](#) and available for public comment for 30 days.

We received no comments on the draft IUP.

## 9. Assurances and Certifications

1. The state has authority to establish a fund and operate the DWSRF Program according to the SDWA.

### **State Law**

In 1995, the “drinking water assistance account” was created in the state treasury to allow the state to accept federal funds available for safe drinking water (RCW 70.119A.170). In 1997, this statute was refined to conform to the amended SDWA.

Health is authorized to establish the framework for DWSRF program administration and manage the program in Washington (RCW 70.119A.170).

### **DWSRF Fund Structure**

The Legislature established a separate drinking water assistance account in the state treasury dedicated solely to using federal funds for the DWSRF. Health is authorized to establish subaccounts as necessary.

Health will use this drinking water assistance account solely for DWSRF and account for all funds in the subaccounts separately, including capitalization grants, loan repayment, and interest.

2. The state will comply with state statutes and regulations.

In addition to requirements in the SDWA, the state agrees to comply with all state statutes and regulations applicable to DWSRF funds, including the federal capitalization grant funds, interest earnings, and repayments.
3. The state has the technical capability to operate the program.

Health will continue to employ program staff qualified to administer the DWSRF. Health staff includes a program manager experienced in water system design, operation, and regulation for the capital projects part of the program and a program manager with fiscal and contracting experience for the set-asides. The rest of the staff provide technical support (engineers, planners, or environmental specialists) and clerical or agency administrative support.
4. The state will accept capitalization grant funds according to a payment schedule.

The state agrees to accept grant payments according to payment schedules included with each grant application or grant amendment package. Each grant will include a separate payment schedule covering all funds used over the life of the grant. Staff will review and

update these payment schedules at least annually. The state will receive federal funds according to EPA guidelines.

5. The state will deposit all capitalization grant funds into the project fund or set-aside account.

The state will deposit the capitalization grant into the project fund or the set-aside account and maintain identifiable and separate accounts for all parts of the capitalization grant (RCW 70.119A.170).

6. The state will deposit net bond proceeds, interest, and repayments into the project fund.

The state will deposit all interest, dividends, earnings, repayments, and other proceeds into the project fund.

7. The state will use Generally Accepted Accounting Principles.

The state agrees to use Generally Accepted Government Accounting Standards for the DWSRF Program. The state's accounting and auditing procedures conform to the most current *Governmental Accounting and Financial Reporting Standards*, Governmental Accounting Standards Board, and the *Government Auditing Standards*, Government Accountability Office.

**The fiscal management of the DWSRF Program will properly measure:**

- (1) Revenues the DWSRF Program earns and other receipts, including, but not limited to, loan repayments, capitalization grants, and interest deposits.
- (2) Expenses the DWSRF Program incurred, including, but not limited to, loan disbursements and other expenditures.
- (3) Assets, liabilities, and capital contributions made to the DWSRF Program.
- (4) Maintenance of federal and state capital contributions to the DWSRF Program.
- (5) Performance of DWSRF on short- and long-term goals.

8. The state will audit the fund and set-aside account in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

The Office of the Washington State Auditor or an external Certified Public Accountant will audit the project fund and set-aside account activities the Capitalization Grant funds annually to ensure there are provisions and guidance to prevent waste, fraud, and abuse of funds. The auditor will use U.S. Comptroller General auditing standards.

9. The state will adopt policies and procedures to ensure that each borrower has a dedicated revenue source for repayments (or if it is a privately owned system, demonstrate adequate security).

The state developed policies and procedures to ensure that borrowers have a dedicated source of revenue and that privately owned systems have adequate security. We discuss them in the state project loan guidelines. See Appendix A.

10. The state will commit and expend funds as efficiently as possible, in an expeditious and timely manner.

The IUP directs the way the state uses funds. The state will commit and spend the grant as efficiently as possible, in an expeditious and timely manner. Within one year of the grant payment, the state will enter binding commitments with the recipients equal to the total amount of each grant payment.

11. The state will use the funds according to the Intended Use Plan.

The IUP directs the way the state will use the grant. The state opened the IUP to public review and comment and considered each comment before developing the final IUP. All comments are in the final IUP.

12. The state will provide EPA with a Biennial Report.

Health will produce annual reports on the use of DWSRF funds. The reports cover both the project fund and the set-aside account activities. The annual reports submitted to EPA meet the biennial report requirements.

13. The state will comply with all federal crosscutting authorities.

We will perform all set-aside activities according to the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, and the Age Discrimination Act of 1975, and adhere to all other crosscutters applicable to the set-aside activities. The state is not taking any set-asides from this grant.

The state developed policies and procedures to ensure that the state and all project fund loan recipients conform to applicable federal crosscutter requirements. Required documentation will be provided for each of these requirements. To the extent necessary, crosscutter requirements will be incorporated as conditions in the loan contracts.

14. Authorization and uses of the DWSRF Program

DWSRF fund authorization and uses are in:

- ◆ EPA Federal DWSRF Program guidelines.
- ◆ Washington State statute (Chapter 218, Laws of 1997, RCW 70.119A.170, RCW 43.155.050).
- ◆ Washington State DWSRF Loan Guidelines, Application, and Rule (WAC Chapter 246-296).

# Appendices

## Appendix A: Washington 2023 DWSRF Lead Service Line Loan Guidelines

[2023 DWSRF Lead Service Line Loan Guidelines 331-714](#)

## Appendix B: FFY2022 Funded DWSRF 2023 LSL Loan Applicants List—Project Priority List

Health Application	Water System ID	Final Score	Applicant Name	Project	County	Full Time Residential Population	Loan Request Amount	Loan Award Total	Subsidy Award	Project Description
2023-4155	12200	Fourth	City of Centralia	Centralia’s Lead Service Line Inventory	Lewis	18,548	\$86,700	\$85,000*	\$41,650	Complete lead service line inventory.
<b>Totals</b>							<b>\$86,700</b>	<b>\$85,000</b>	<b>\$41,650</b>	

\*Disadvantaged community, loan fee is waived.

## Appendix C: FFY2022 Declined DWSRF 2023 LSL Loan Applicants

Health Application	Water System ID	Final Score	Applicant Name	Project	County	Full Time Residential Population	Loan Request Amount	Notes	Project Description
2023-4150	60950	First	North Perry Avenue Water District	Lead Service Line Inventory	Kitsap	19,795	\$308,581	Declined	Develop lead service line inventory to identify lead components within the service lines. The district will research records, perform line investigations, and pothole service lines.
2023-4153	11700	Second	City of Cashmere	Cashmere—Lead Service Line Inventory	Chelan	3,165	\$346,800	Declined	Hire contractor to catalogue available information, research, and customer surveys.
2023-4154	35500	Third	City of Ilwaco	Lead Service Line Inventory and Water System Plan Update	Pacific	1,388	\$140,270	Declined	Inventory existing service lines and update the existing Water System Plan.
<b>Total</b>							<b>\$795,651</b>		