



FUNDING AND GOOD APPLICATIONS



Office of Drinking Water/Drinking
Water State Revolving Fund

Funding and Good Applications

Statewide DWSRF Workshops

2025



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Drinking Water State Revolving Fund

Topics

1. Organization
2. Funding Eligibility
3. Good Application Tips

DWSRF Team

DWSRF Staff

Field Staff
Representatives

Underwriter &
Contract Managers

Consolidation Feasibility Study Grant (CFSG) Eligible Projects

- Value Planning Activities
 - Identify project alternatives
 - Develop decision matrix and report of alternatives
 - Community meetings and outreach
- Consolidation Feasibility Study – Professional Engineer required
- Planning documents – Water System Plan (WSP) (Professional Engineer required) or Small Water System Management Program (SWSMP)
- Engineering design – Professional Engineer required
- Connection fees

CFSG Ineligible Projects

- **Ineligible**

- Purchase of Materials
- Installation of Meters
- Construction

Eligible CFSG Applicants

- Group A municipal community water systems – city, town, county, public utility district, or water district serving more than 1,000 full time residents.
- Tribal Group A not-for-profit community water system.
- Systems serving less than 1,000 full time residents will be considered on a case-by-case basis depending on location and regional need.

Eligible Planning and Engineering (P&E) Projects

- Planning Documents
 - WSP creation, update, or amendment
 - SWSMP development or update
- Engineering Design—project reports, pilot studies, construction documents for source, treatment, storage, or distribution including backflow prevention, security measures, or telemetry
- Bid Documents – bid package including technical specifications and drawings
- Consolidation Feasibility Studies
- Field Surveys
- Permits

Eligible P&E Projects

- Cultural and Historical Reviews
- SEPA and other environmental reviews, if required
- Public Meetings and Outreach
- DOH Review Fees
- Audit Costs
- Asset Management Systems
 - Develop an asset inventory
 - New or upgraded computer or cloud-based system
 - Mapping asset locations
 - As part of a larger project

Eligible P&E Projects

- Value Planning Activities
 - Identify project alternatives
 - Develop decision matrix and report of alternatives
 - Community meetings and outreach
- Feasibility Studies
- Capacity Development Activities Leading to Consolidation or Restructuring
 - Rate study
 - Community meetings and outreach

Eligible P&E Projects

- Limited Water Rights Exploration
 - Up to \$200,000 to:
 - Drill a well and install initial pump (test pump or permanent pump)
 - Perform pump test
 - Take source water quality samples
 - Must have control of well site – own (deed, plat), lease agreement, or have an easement allowing drilling of the well and access to the well.
 - Requires assurance from Department of Ecology that water rights are available and feasible within the next 5 years. Upload documentation from Ecology.

Eligible P&E Applicants

- Group A community water systems – public or private
- Group A non-community water systems – public, not-for-profit
- Tribally-owned Group A community, not-for-profit

Eligible Construction Projects

- All preconstruction work except required planning document – requires a construction component
 - Engineering Design
 - Construction Documents and Bid Documents
 - Cultural, Historical, and Environmental Reviews
 - Asset Management Program
- Infrastructure replacement
 - Source, treatment, storage, booster pumps, water mains (can include service meters), inline pressure reducing valves.
- New infrastructure to meet existing customer demands
 - Source, treatment, storage, booster pumps, water mains (including fire hydrants and service meters), inline pressure reducing valves, stand-alone backflow assembly installation

Eligible Construction Projects

- Consolidations
 - Main extension and connection, service meters installation, control valves, booster station
- Security Features
 - Fencing, gates, locks, alarms, cameras, telemetry, secured ladders for storage tanks
- Seismic retrofits
 - Bracing or control valves for a reservoir, control valve vaults, transmission and distribution main replacement, bracing for a well or pump building

Eligible Construction Applicants

- Group A community and noncommunity not-for-profit and for-profit water systems.
- Group B and private well lots consolidating into a Group A community water system.
- Federally-recognized tribal water systems serving residential connections.

Lead Service Line (LSL) Eligible Projects

LSL Inventory Funding:

- Service line inventory development with document review, customer data submission, and statistical inspections.
- Identification of materials for unknowns in current service line inventory.

LSL Replacement Funding:

- Potholing for unknowns.
- Service line replacement (from water main to building).
- Service line fittings replacement.

Eligible LSL Applicants

- Group A community and noncommunity not-for-profit and for-profit water systems.

Water System Rehabilitation and Consolidation (WSRC) Grant Eligible Projects

- Develop overall plan to address struggling and failing water systems within a geographic area.
- Receiver capacity development.
- Setting up a utility department within a county governmental agency including recruiting and training certified operators.
- Consolidation Feasibility Study – Professional Engineer required – evaluate multiple water systems.
- Planning documents – WSP (Professional Engineer required) or SWSMP.

WSRC Eligible Projects

- Engineering design – Professional Engineer required.
- Connection fees.
- Purchase cost to acquire or restructure a water system including establishing an asset management program.
- Property purchase if required for proposed capital construction project.
- Construction of water system infrastructure – source including meters, treatment, storage, distribution including service meters, backflow assemblies, and security measures.

WSRC Eligible Applicants

Consolidation, Restructuring, or Receivership:

- Group A publicly-owned water system (town, city, county, public utility district, water district); or
- Approved Satellite Management Agency; or
- A water system approved by DOH to acquire failing water systems through a court order (receivership).

Rehabilitation:

- Group A community and noncommunity water systems serving less than 10,000 people under a DOH compliance order.

WSRC Eligible Acquired Water Systems

Consolidation, Restructuring, or Receivership:

- Group A community water systems serving less than 10,000 people, or
- Group A noncommunity water systems, or
- Group B water systems, or
- Several properties served by private wells, or
- State-owned water systems, or
- Federally-owned water systems.

Emergency Loan Eligible Projects

- Drilling a well
- Intertie or consolidation with a neighboring system
- Cleaning and securing a reservoir
- Rebuilding a pump station
- Installing treatment
- Adding to an existing treatment system
- Replacing water mains

DOES NOT COVER EMERGENCIES CAUSED BY DEFERRED MAINTENANCE.

Eligible Emergency Funding Applicants

- Group A community not-for-profit and for-profit water systems serving less than 10,000 people.
- Group A noncommunity not-for-profit water systems serving less than 10,000 people.
- Federally-recognized tribal water systems serving residential connections and less than 10,000 people.
- Group A water system serving 10,000 or more people and acquiring a water system serving less than 10,000 people through court ordered receivership.

Tips for a Good Application



P&E Funding Eligibility

- If invited to EC-SDC Funding (Emerging Contaminants for Small and Disadvantaged Communities).
 - Upload email invitation
- Must be a Group A community (not-for-profit and for-profit) or not-for-profit Non-community water system.
 - Upload nonprofit documentation.
- If the system has had an audit with a finding, contact Michael.Copeland@doh.wa.gov.
- Water system must demonstrate fiscal viability to complete the project through construction.

P&E Funding Eligibility

- Water system owns (deed), has a lease or easement, or other control of where the project will occur.
- The governing body (HOA board, council, district board, or owner) must approve the submission of the application.
 - Identify the person submitting application
 - List the funding request amount, or “up to” limit
 - Upload the meeting minutes

CFSG Funding Eligibility

- Must be a Group A community (not-for-profit and for-profit) or not-for-profit Non-community water system.
- Water system being consolidated serves less than 10,000 people.
- Upload letters of commitment, interlocal agreement, or equivalent documentation from all participating water systems.

CFSG Final Outcome Goal

- Describe the expected final outcome if the proposed activities and objectives are implemented and achieved
 - Will the water system(s) consolidate or just intertie (*interties not eligible*) or will there be a change in ownership?
 - Will the distribution system be upgraded for the system being consolidated?
 - Will the system to be consolidated be de-regulated by ODW?
 - Will the recommendations in a feasibility study be implemented?

Construction Funding Eligibility

- If invited to EC-SDC Funding, select Yes and upload email invitation.
- WSP or SWSMP approval – must be YES and upload the approval letter.
 - If a WSP, must be current (not expired), approved, and identify the project.
 - If a SWSMP, must be approved within the last 6 years and identify the project.
 - If ECSDC, you can answer No, then the planning document becomes part of the scope of work for the project.
- Upload the page or pages (NOT the entire document) that identify the project, include the budget.

Construction Funding Eligibility

- If a source or consolidation project, you MUST have water rights and upload documentation from Ecology.
 - New source, or
 - Deepening a well into a deeper aquifer, or
 - Moving a surface water intake, or
 - Increasing capacity of the source with a larger pump,
- Project Control:
 - Deed, lease, or easement, or
 - Ability to purchase the site within 90 days of contract execution.
 - Upload documentation.

Construction Funding Eligibility

- If the system has had an audit with a finding, contact Michael.Copeland@doh.wa.gov.
- The governing body (HOA board, council, district board, or owner) must approve the submission of the application.
 - Identify the person submitting application
 - List the funding request amount, or “up to” limit
 - Upload the meeting minutes to Document Attachments tab.

Project Scope of Work

- Project Name – please don't include water system name, this name is used on ALL contract documents
- Project Description – include:
 - What is being constructed
 - Purpose of project
 - Compliance issues connected to the project
- Project Description – DON'T include:
 - Water system history
 - Previous projects, unless this is connected
 - i.e., Well development after you drilled a well
 - Compliance issues NOT connected to the project

Project Scope of Work

- Paid for by DWSRF – identify the elements to be paid for by DWSRF
 - Planning Document, or
 - Consolidation Study, or
 - Engineering Design, or
 - Bid Documents, or
 - i.e., construction of water main replacement, new service meters, service connections, fire hydrants, single lane roadway pavement, minor landscaping for trench, connection fees.

Project Scope of Work

- Deliverables – what is required to be submitted for review and approval, submitted to show completion of the step, etc.
 - **DWSRF may not be paying for deliverables, but the deliverables are required for a complete project.**
 - Work with DWSRF Environmental Engineer
 - Planning Document,
 - Consolidation Feasibility Study,
 - Project Report,
 - Engineering Design Drawings,
 - Bid Documents,
 - Bid Tabulation,
 - Connection Fee Payment Receipt, or
 - Construction Completion Reports and ODW Engineer Acknowledgement Email

Project Scope of Work

- If you have additional funding or if this is part of a larger project –
 - Multiple-Agency Funding
 - Identify what is being paid for by DWSRF
 - Identify the other agencies
 - Upload funding award letters from other agencies in Document Attachments tab
 - Multiple-DWSRF loans and grants
 - What is this loan or grant paying for
 - Identify the phase for this funding
 - Identify if there are more phases that need future funding

Example Good Project Descriptions

- Description of project in Application:

1. Design water treatment plant with six filters, two pre-filters, disinfection, piping within the existing treatment plant, electrical, controls, and telemetry to meet surface water rule requirements. Connect to existing water system.
2. Replace 2100 feet of asbestos concrete water main with approximately 2100 feet of HDPE water main, 3 fire hydrants, 7 service connections including service meters and pressure reducing valves, 3 backflow assemblies.

Example Poor Project Descriptions

- Description of project in Application:

1. Our water system is 60 years old with aging infrastructure. The well pump does not have capacity to meet fire flow and high peak demands. We have had E. coli in the well in the past. Our HOA board is all volunteers with little water experience. We are building a new storage tank on property yet to be purchased. We have a Small Water System Management Program document from 1999 stored in the pump house.

Example Poor Project Descriptions

- Description of project in Application:

1. Our water system is 60 years old with aging infrastructure. The well pump does not have capacity to meet fire flow and high peak demands. We have had E. coli in the well in the past. Our HOA board is all volunteers with little water experience. We are building a new storage tank on property yet to be purchased. We have a Small Water System Management Program document from 1999 stored in the pump house.

Example Paid for by DWSRF

- Paid by DWSRF explanation in Application:

1. Design and construction of a water treatment plant with six filters, two pre-filters, disinfection, piping within the existing treatment plant, electrical, controls, and telemetry to meet surface water rule requirements. Connect to existing water system. Design and construction of stormwater system.
2. Abandon in place approximately 2100 feet of asbestos concrete water main, design and installation of approximately 2100 feet of HDPE water main, 3 fire hydrants, 7 service connections including service meters and pressure reducing valves, 3 backflow assemblies. One lane of asphalt replacement and landscaping along trench.

Example Project Deliverables

- Deliverables in Application:

1. Project report, construction drawings, and bid documents approvals, SEPA determination, cultural/historical review completion, and Construction Completion Report acknowledgement.
2. Project report, construction drawings, and bid documents approvals (paid by others), SEPA determination, cultural/historical review completion, and Construction Completion Report acknowledgement.

Example Other Funding

- Other Funding in Application:
 - Public Works Board construction loan for a 250,000-gallon storage tank. Transportation Improvement Board grant for frontage improvements along front of water treatment plant. USDA Rural Development for new well and well pumps located in the new water treatment plant.
 - Previous DWSRF consolidation grant and P&E loan paid for design of the new water main.

Example Scope of Work

Scope of Work in Contract for Filtration Treatment:

1. **Submit project report and construction drawings** to ODW engineer for review and approval. *Submit approval letter to Contract Manager.*
2. **Submit bid documents and drawings** to ODW engineer for review and approval. *Submit approval letter to Contract Manager.*
3. Complete cultural and historical review process. *Submit completion letter from DWSRF planner Contract Manager.*
4. *Submit SEPA determination to Contract Manager.*
5. Construct 12 ft by 14 ft water treatment plant with six filters, two pre-filters, disinfection, piping within the existing treatment plant, electrical, controls, and telemetry. Include installation of storm drainage system. Connect to existing water system. **Submit Construction Completion Report (CCR) to ODW engineer.** *Submit CCR acknowledgement email to Contract Manager.*

Example Scope of Work

Scope of Work in Contract for Water Main Replacement:

1. **Submit project report and construction drawings** to ODW engineer for review and approval. *Submit approval letter to Contract Manager.*
2. **Submit bid documents and drawings** to ODW engineer for review and approval. *Submit approval letter to Contract Manager.*
3. Complete cultural and historical review process. *Submit completion letter from DWSRF planner Contract Manager.*
4. *Submit SEPA determination to Contract Manager.*

Water distribution project exception DOES NOT apply for DWSRF projects. You MUST submit design for review and approval.

Example Scope of Work

Scope of Work in Contract for Water Main Replacement continued:

5. Abandon in place approximately 2100 feet of asbestos concrete water main. Install approximately 2100 feet of welded HDPE water main, 3 fire hydrants, 7 service connections including service meters and pressure reducing valves, and 3 backflow assemblies. Resurface one lane of asphalt. Replace and repair damaged landscaping. **Submit Construction Completion Report to ODW engineer.** *Submit CCR acknowledgement email to Contract Manager.*

Financials

- Cash flow MUST be POSITIVE looking forward and preferably looking back 3 years. If past negative cash flow, provide documentation of rate increases or assessments implemented that brought cash flow positive.
- Rates MUST cover:
 - Operations and maintenance of existing system AND operation and maintenance of the proposed improvements, and
 - Loan repayment(s), and
 - An emergency fund.

Financials

- If water system has had an audit, the last audit must not have any findings connected to managerial or financial capacity. Any questions about audit findings, contact Michael.Copeland@doh.wa.gov or 360-236-3083.
- Water system **must file tax returns** and upload the previous 3 years of returns. Even not-for-profit water systems are required to file tax returns.
- Review your bylaws and articles of incorporation. Make sure you have the authority to own and manage a water system. You may need a lawyer to review your documentation.
- Not-for-profits must upload bylaws and articles of incorporation and not-for-profit documentation.

Construction Application Bonus Points

- Asset inventory must include all six elements for each asset:
 - Name (well 1, storage tank alpha, etc.)
 - Age of asset
 - Expected life
 - Replacement cost
 - Level of service
 - Criticality
- The [RCAC Asset Management template](#) is highly recommended

Construction Application Bonus Points

- Green Points
 - Reduce water loss (Distribution System Leakage or DSL), reduce pumping or treatment costs, or reduce energy consumption.
 - MUST include calculations expected water, energy, or chemical saved.
 - DSL must exceed 10% in order to get green bonus points for a water main replacement project. Calculate approximate volume of water to be saved with project replacement.

Timeline from Application to Contract Review

Step	November Applications	April Applications
Applications Due	November 30	April 30
Eligibility Review	December 1-14	May 1-14
Applications Scored	December 14-21	May 14-21
Priority Project List Published	February 1	February 1 the following year
Underwriting	February through March	June through July
Initial Award Letter Sent	March 31	July 31
Final Award Letter Sent	April 30	August 31
Finalize Scopes of Work	May	September
Contracts Sent to Contracts Team	June	October
Initial Contract Sent to Water System for Review	August through October	December through February

Timeline Contract Review to Project Completion

Step	November Applications	April Applications
Water System Signs Contract	Within 60 Days of Receipt	Within 60 Days of Receipt
Contract Execution	Within 10 Days of Receipt from Water System	Within 10 Days of Receipt from Water System
Preconstruction Work Reimbursement for Loans	Up to 12 Months Prior to Loan Execution	Up to 12 Months Prior to Loan Execution
Prior Work Reimbursement for Grants	Not Allowed	Not Allowed
Notice to Proceed for Construction	Within 18 Months of Contract Execution	Within 18 Months of Contract Execution
Project Completion	4 Years for Construction and 2 Years for Non-Construction from Contract Execution	4 Years for Construction and 2 Years for Non-Construction from Contract Execution

dwsrf@doh.wa.gov

Funding information
available.

Funding guidelines, WALT
user guide, and borrower's
handbook are available.



Questions?





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