



# 2020 Drinking Water State Revolving Fund (DWSRF) Construction Loan Overview

331-630 • 9/15/2020

**Cycle open for applications:** October 1 to November 30. An online application in Washington Loan Tracking network (WALT) is available for application submittal and a WALT user's guide is posted on the DWSRF webpage at [doh.wa.gov/DWSRF](http://doh.wa.gov/DWSRF).

**Amount available to award:** \$45 million in loan.

**Maximum award:** \$5 million per jurisdiction.

**Loan information:** 1.0 percent loan origination fee, 1.75 percent standard interest rate for 20-year loan term. Disadvantaged systems and consolidation projects qualify for 1.25 percent interest rate, up to 50 percent principal forgiveness (subsidy), and up to 30-year loan term.

**Eligible entities:** Group A community water systems (publicly owned, privately owned, and for-profit), Group A nonprofit non-community water systems, Group B systems that become a Group A system through consolidation, and tribal systems not receiving other SRF set-aside funding for the project

**Non-eligible entities:** Federally and state owned systems (however, these systems can be part of a consolidation project), Group A for-profit non-community water systems, Group B water systems that remain a Group B system.

**Eligible projects:** Projects must address a public health risk, resiliency, or upgrade deteriorating facilities. Projects where the primary focus is for operation and maintenance, future growth, or fire flows will not be eligible for funding.

**Eligibility requirements:** All applicants **must** have an approved Water System Plan (WSP), a Small Water System Management Program (SWSMP), or plan amendment containing your DWSRF project to be eligible for funding. An emergency rule change to WAC 246-296-100 is in effect to address this eligibility requirement. To be eligible for DWSRF funding, one of the following criteria must be met:

- The planning document must remain valid through November 30, 2020
- OR
- The planning document has been submitted to the regional office for review by November 30, 2020 and receives regional office approval by March 30, 2021.

Also must have ability to obtain required water rights (if needed for the project) and have legal control of the project site. All funded projects must be reviewed and approved by the regional engineer prior to proceeding to construction.

**Scoring and ranking:** All projects scored and ranked based on health risk being addressed. Funds awarded to highest ranking projects until funding is exhausted. Similarly, subsidy is awarded to highest ranking projects until subsidy is exhausted; not all projects that are eligible for subsidy will receive subsidy.

**Application review process:** All applications reviewed for completeness and eligibility in December and January. If the application is incomplete, systems will be notified and have 14 calendar days to provide any missing information. Applicants will be notified in February 2021 regarding their funding status. If funded, loan agreements will be generated in July 2021.

The DWSRF 2020 Construction Loan Guidelines will be available prior to October 1 at [doh.wa.gov/DWSRF](http://doh.wa.gov/DWSRF).

For more information, contact [Janet Cherry](#), 360-236-3153.



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