



WASHINGTON STATE  
**PUBLIC WORKS BOARD**  
*INFRASTRUCTURE IS FUNDAMENTAL*

Fiscal year 2024

Infrastructure loans and grants

September 1, 2024

Report to the Legislature

**Kathryn A. Gardow, PE**  
Public Works Board Chair

WASHINGTON STATE  
PUBLIC WORKS BOARD



Spokane International Airport Additional Reservoir Project, City of Spokane, set for completion in 2024.

## Acknowledgments

**Washington State Public Works Board**  
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This report is available on the Public Works Board website, [www.pwb.wa.gov](http://www.pwb.wa.gov).

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Administrative services provided by the Washington State Department of Commerce.

Director of Commerce, Michael Fong

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# Letter from the Public Works Board Chair

On behalf of the Public Works Board, I would like to thank the Washington State Legislature for continuing to invest in the state's leading infrastructure program. Enacted in the 1985 legislative session, the Public Works Board (PWB) was established to create a reliable and sustainable resource for local governments to meet critical infrastructure needs. This mission remains at the core of everything the PWB does, and continued funding is essential to maintaining and improving the quality of life for Washington residents. During the past four decades, the PWB has provided more than \$3.5 billion in low-interest loans and more than \$150 million in grants to communities in all 39 counties of our state. In fiscal year 2024 alone, the PWB awarded \$30 million in grants across all projects and the remainder as loans.

In the 2023 session, the Legislature appropriated \$400 million to the PWB for the 2023-25 biennium. In accordance with [RCW 43.155.070](#), I am pleased to submit our legislative report on Public Works Board activities in fiscal year 2024. These include awards of:

- \$222.8 million in construction funding for 61 projects across the state as authorized under [RCW 43.155.060](#);
- \$7.9 million in pre-construction funding to 16 jurisdictions to move projects toward construction as authorized under [RCW 43.155.068](#);
- \$8.5 million in emergency funding to 13 jurisdictions for emergency infrastructure repairs or replacement as authorized under [RCW 43.155.065](#); and
- \$23.8 million in broadband construction funding for seven projects to further the development of broadband infrastructure in unserved areas of the state as authorized under [RCW 43.155.160](#).

The PWB remains committed to providing low-interest, easy-to-access funding to local governments and offering technical assistance to improve access to our programs.

The PWB celebrates its 40th Anniversary in 2025! Turning 40 is a meaningful milestone for the PWB and its service to Washington communities, as it draws attention to a rich history of successes, challenges, and partnerships that have helped implement the values and goals of the PWB. As our 40th anniversary approaches, we are more motivated than ever before to amplify and advocate that *Infrastructure is Fundamental*. Our commitment remains as solid as it was in 1985 – to value the infrastructure needs of all Washington communities.

We have had some lean years in the past, but our funding remains in high demand and eligible project requests continue to exceed appropriated amounts. In fiscal year 2024, the Board lacked the resources to fund 18 projects requesting \$68.7 million; of those, nine reapplied for the fiscal year 2025 application cycle, which will be discussed at the September 2024 Board meeting. Additional information regarding the disposition of those requests will be available this winter.

To discuss or learn more about the information in this report or the Public Works Board, please contact Public Works Board Executive Director Maria Jawad at [maria.jawad@commerce.wa.gov](mailto:maria.jawad@commerce.wa.gov).



Kathryn A. Gardow, PE  
Public Works Board Chair

# Executive summary

## Overview

The Public Works Board (PWB) deploys resources from the Public Works Assistance Account to fix critical and failing infrastructure, while advancing environmental goals, public health, and public safety. Without this funding, some small jurisdictions would not have had the capital to make necessary infrastructure improvements. For large jurisdictions, they would have to apply to the private credit markets for their projects, which spends more taxpayer dollars on financing and less on building the actual project.

The PWB acts as one of the state's first responders for financing when a local bridge, sewer pipe, or water treatment plant fails, jeopardizing public safety. With an average response time of two weeks, communities rely upon the PWB's agility to address emergency situations.

In the 2023-25 biennium, the Washington State Legislature appropriated \$400 million to PWB. The PWB allocated approximately \$370 million to the construction program, with 60% of the funding available (\$222.8 million) in fiscal year 2024 and 40% available in fiscal year 2025. The fiscal year 2024 construction funding cycle was open from May 5, 2023 to July 7, 2023.

The PWB has authority to use up to 20% of the appropriation for preconstruction and emergency grants and loans. Those resources help jurisdictions with planning and design work, and to expeditiously fix failed infrastructure posing a threat to public health or safety. The preconstruction funding cycle was open from May 5, 2023 to March 30, 2024, and was awarded quarterly. Emergency funding was available year-round, allowing the Public Works Board to act monthly or at special meetings when needed. In fiscal year 2024, the PWB awarded \$8.5 million to fund 13 emergency projects and another \$7.9 million to fund 16 preconstruction projects.

PWB grants and loans create waves of economic stimulus that ripple through Washington communities.

- **Lower interest rates.** The PWB issued loans at no greater than 1.72% in fiscal year 2024. For a \$10 million loan with a 20-year repayment period, the borrower would pay \$1.8 million in interest, which costs less than inflation. By comparison, a \$10 million loan for 20 years at a 3.5% market-based interest rate would cost \$4 million in interest. PWB financing saves local jurisdictions \$2.2 million over the life of a 20-year loan. A distressed community receiving a reduced rate of 0.86% would pay approximately \$927,000 in interest over 20 years, saving \$3.1 million in taxpayer dollars.
- **No cost to apply.** Applying for a PWB loan is easier, cheaper, and faster than borrowing from banks or the bond market. The PWB charges no fees, and decisions whether to approve a loan are usually made within months.
- **Quick benefits for residents.** PWB loans help start and finish projects sooner, improving the health, safety, and well-being of residents, the local community, and the environment.
- **Employment multipliers.** Each project generates advanced economic activity by suppliers for the project and subsequent economic activity when the contractor and construction workers spend their income from the project. For every \$1 million spent on construction, the average public works project will generate 5.5 direct jobs, 4.8 supplier jobs, and 6.1 "induced" jobs from contractors and their workers re-spending their earnings. That's 16 total jobs generated for every \$1 million of construction spending.<sup>1</sup>

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<sup>1</sup> Economic Policy Institute. *Updated Employment Multipliers for the U.S. Economy*. Table 2. Josh Bivens. (2019) <https://www.epi.org/publication/updated-employment-multipliers-for-the-u-s-economy/> Similar (but separate) findings for surface transportation and water/sewer projects by the Political Economy Research Institute. *Job Creation Estimates. Through Proposed Economic Stimulus Measures*, Table 1. (2020) <https://docs.house.gov/meetings/IF/IF18/20200916/111008/HHRG-116-IF18-20200916-SD009.pdf> Robert Pollin.

The PWB initiated a hardship policy after careful consideration that identifies distressed and severely distressed communities based on the county-wide unemployment rate and median household income (MHI). [The Fiscal Year 2024 hardship consideration map](#) identifies up front if a community meets a distressed status and is eligible for lower interest rates and a grants. Distressed communities made up more than half of the funding awards for fiscal year 2024. Of the 90 total construction, pre-construction, and emergency awards, 51 were located in distressed or severely distressed areas. Of those 90 awards, 45 were located in rural areas.

Distressed communities are especially reliant on emergency funding. Of the 13 awards for emergency situations, 12 of those projects were in distressed areas, and 11 were located in rural areas. Of the \$8.5 million awarded for emergency situations, the PWB issued \$2.9 million in grants. Small cities, towns, counties, and special purpose districts often do not have the staff or expertise to even apply for public works funding. To meet that need, the PWB extends technical assistance to those jurisdictions through training webinars throughout the year, individual assistance for jurisdictions experiencing emergency public works situations, and workshops at the annual meeting of the Infrastructure Assistance Coordinating Council.

## Authorizing legislation

[Chapter 43.155.070\(4\)\(b\) and \(6\) RCW](#) requires the PWB to issue this report to the Legislature annually. The statute requires that the PWB report:

- (i) The total number of applications and amount of funding requested for public works projects;
- (ii) A list and description of projects approved in the preceding fiscal year with project scores against the board's prioritization criteria;
- (iii) The total amount of loan and grants disbursements made from the public works assistance account in the preceding fiscal year;
- (iv) The total amount of loan repayments in the preceding fiscal year for outstanding loans from the public works assistance account;
- (v) The total amount of loan repayments due for outstanding loans for each fiscal year over the following ten-year period; and
- (vi) The total amount of funds obligated and timing of when the funds were obligated in the preceding fiscal year.

## Fiscal year 2024 awards summary

Summary of approved fiscal year 2024 PWB loans and grants:

- \$222.8 million in construction funding for 61 projects as authorized under [chapter 43.155.060 RCW](#).
- \$7.9 million in pre-construction funding to 16 jurisdictions to move projects toward construction as authorized under [chapter 43.155.068 RCW](#).
- \$8.5 million in emergency funding to 13 jurisdictions for emergency infrastructure repairs or replacement as authorized under [chapter 43.155.065 RCW](#).
- \$23.8 million for seven funded broadband construction loans (not shown on map above) to further the development of broadband infrastructure in unserved areas of the state as authorized under [chapter 43.155.160 RCW](#).

## Programs overview: Traditional

### Traditional loan programs

[Chapter 43.155.070 \(4\) \(a\) RCW](#) requires the PWB to balance and consider 19 policy priorities when evaluating applications to their traditional programs. The statute directs the PWB to consider the geographic distribution of funds and other factors in its funding actions. The maximum amount of funding that the PWB may award each biennium is \$10 million. This is inclusive of the construction and pre-construction programs. “Traditional” loan programs do not include broadband funding.



Olympic View Water and Sewer District loan payoff (Pictured, from left, District Commissioner Lora Petso; Representative Cindy Ryu, D-Shoreline; District Commissioner John Elsasser; PWB Chair Kathryn Gardow), June 2024.

### Construction

Legislation enacted in 1985 ([chapter 43.155 RCW](#)) authorizes the PWB to make low interest loans and grants to counties, cities, and special purpose districts. These awards are for projects that repair, replace, or create domestic water systems, wastewater systems, storm water systems, roads, bridges, and solid waste, recycling, and organics facilities. Construction funding cycles are based on an open, competitive process. The loan term is usually 20 years, including five years for construction completion.



Figure 1: FY 2024 construction awards by system type

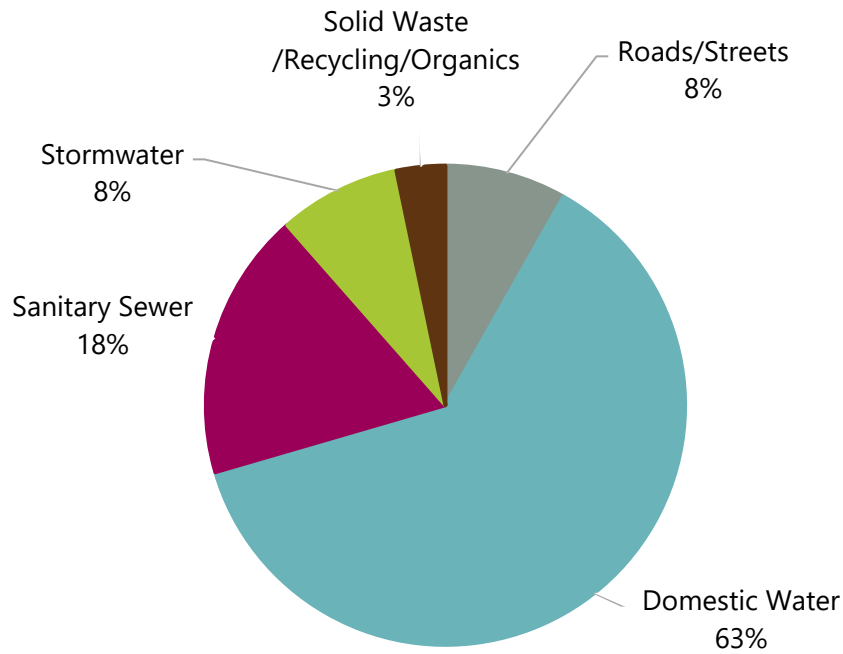
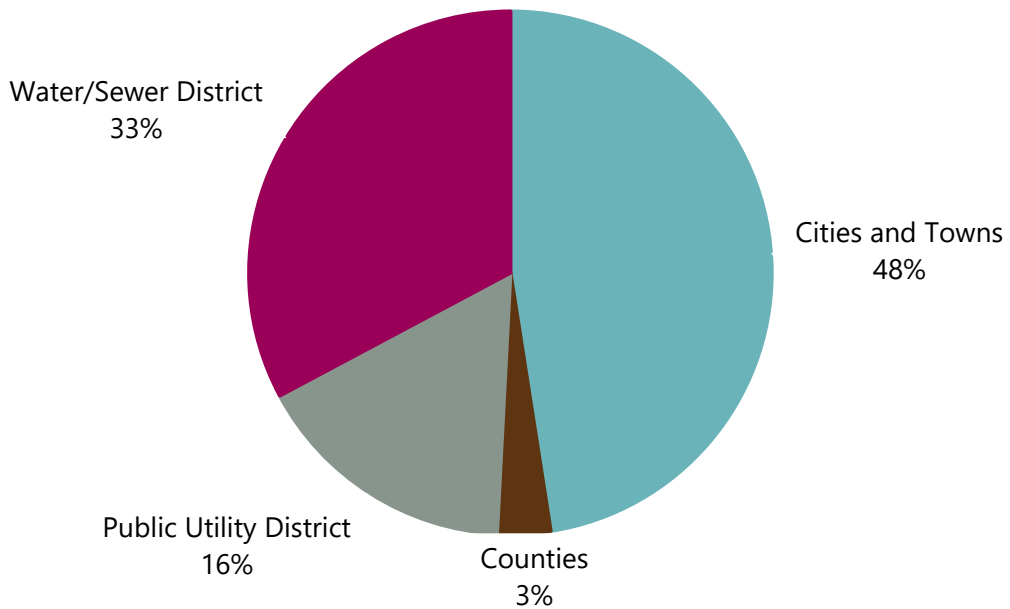


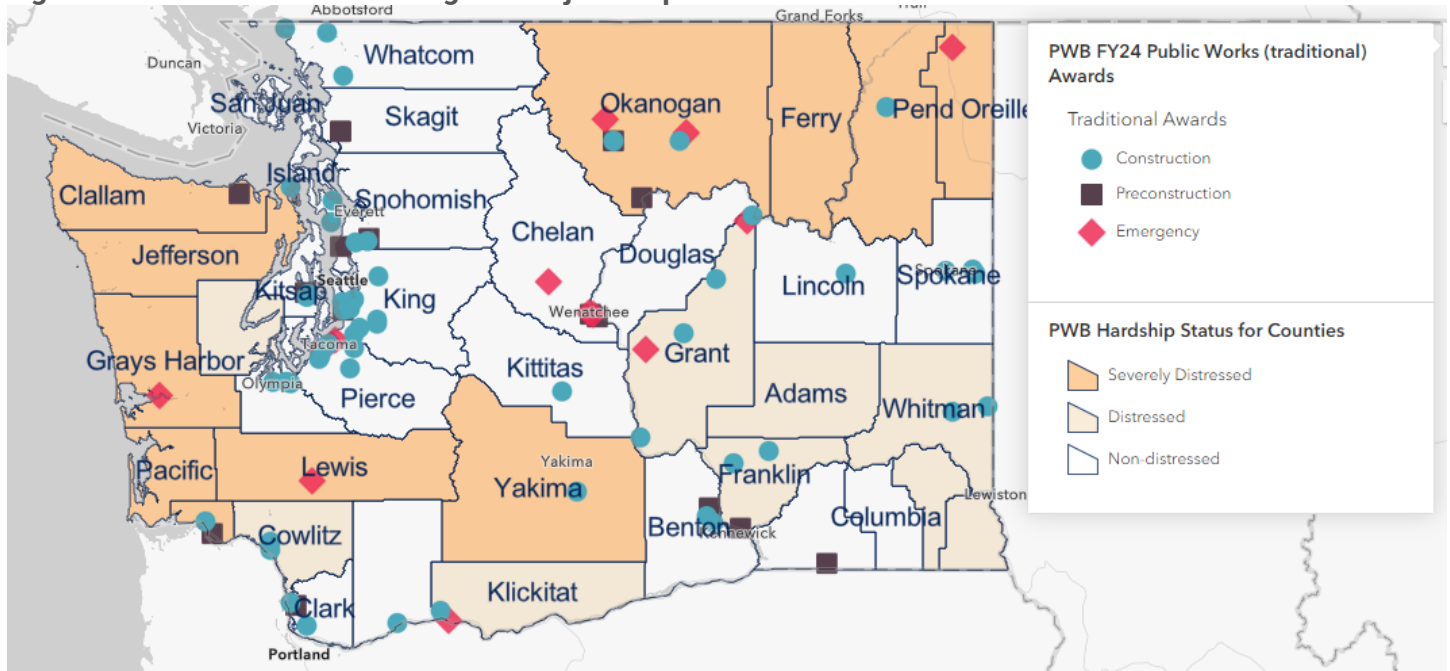
Figure 2: FY 2024 construction awards by recipient





The [Public Works Board Fiscal Year 2024 Traditional Program Project Map](#) presents the geographic distribution of PWB awards in fiscal year 2024 for pre-construction, construction, and emergency programs.

**Figure 3: FY 2024 Traditional Program Project Map**



**Table 1: Traditional programs awarded projects (construction), fiscal year 2024**

Leg. Dist.	County	Jurisdiction	Project Name	Awarded
2	Thurston	Public Utility District #1 of Thurston County	Tanglewilde Mainline Replacement - Phase 1	\$10,000,000
2, 22	Thurston	City of Lacey	Madrona & Westside pH Treatment	\$10,000,000
3	Spokane	City of Spokane	Freya Waterline and Street Improvements	\$2,700,000
4	Spokane	Vera Water and Power	Reservoir Recoating	\$3,600,000
4	Spokane	Vera Water and Power	Transmission Main Upgrade	\$4,400,000
5	King	City of Maple Valley	South Fork Jenkins Creek Culverts Removal and Replacement Project	\$2,500,000
5	King	City of Maple Valley	Maple Valley Highway (SR 169), SE 260th ST to SE 253rd PL	\$7,500,000
7	Okanogan	Town of Coulee Dam	CIPP Sewer Main Lining	\$336,000
7	Okanogan	City of Okanogan	Okanogan 3rd Avenue Utility Improvements	\$1,810,260
7	Stevens	City of Colville	Reservoir #2 Replacement	\$3,375,800
8	Benton	City of West Richland	City of West Richland - Well No. 3 Replacement	\$3,300,000

Leg. Dist.	County	Jurisdiction	Project Name	Awarded
8	Benton	City of Richland	Tapteal 1 Booster Pump Station Project	\$5,500,000
9	Franklin	Basin City Water and Sewer District	Basin City WSD Water Meter Installation	\$800,000
9	Franklin	City of Connell	New Domestic Well	\$2,000,000
9	Whitman	City of Palouse	Palouse Cove Road Sidewalk Improvements	\$164,341
9	Whitman	City of Colfax	2024 Water System Improvements	\$6,006,500
10	Island	City of Langley	Langley Infrastructure Project - LIP	\$3,500,000
10	Island	Scatchet Head Water District	Scatchet Head Water District Water System Improvements	\$600,000
11	King	King County Water District #125	Macadam Rd, 51st Ave S and S 151st St Pipe Replacement	\$3,170,000
11, 33	King	Valley View Sewer District	McMicken Heights Pump Station Rehab	\$3,044,000
12	Okanogan	Town of Twisp	Painter's Addition Emergency Egress Project	\$728,016
12	Okanogan	Town of Twisp	Glover Street Reconstruction Project	\$2,257,607
13	Grant	Town of Coulee City	Lift Station Improvements	\$1,596,800
13	Kittitas	Kittitas County	Ellensburg Transfer Station	\$7,662,000
13	Lincoln	Lincoln County	ReNew Organics-EarthWise Recycling	\$270,000
13	Grant	City of Ephrata	Reservoir 6 and Pressure Zone 5 Improvements	\$3,950,000
13	Grant	City of Mattawa	Mattawa Well Improvements	\$6,903,000
14	Yakima	City of Wapato	Well 5 Improvements	\$2,033,000
17	Klickitat	City of White Salmon	Transmission Main Replacement Phase IIA	\$8,045,000
17	Skamania	City of Stevenson	Cascade Ave Utility Upgrades	\$2,238,000
18, 20	Clark	Clark Regional Wastewater District	Discovery Corridor Wastewater Transmission System Phase 2	\$10,000,000
19	Cowlitz	Three Rivers Regional Wastewater Authority	Solids Handling Improvement Project	\$10,000,000
19	Cowlitz	Drainage Improvement District #1	Redpath Pump Station Upgrade Project	\$1,500,000
19	Cowlitz	City of Kelso	Kelso Drive Water Transmission Main	\$4,441,000

Leg. Dist.	County	Jurisdiction	Project Name	Awarded
19	Wahkiakum	Public Utility District #1 of Wahkiakum County	Skamokawa Mainline Extension Project	\$237,000
20	Clark	City of Ridgefield	Ridgefield Downtown Stormwater Improvements	\$2,414,000
22	Thurston	LOTT Clean Water Alliance	Centrate Building Rehabilitation	\$10,000,000
24	Jefferson	City of Port Townsend	Water Street Sewer Main Repair and Replacement	\$2,700,000
25	Pierce	Valley Water District	Alderwood Service Line Replacement D1-A Phase 1	\$1,760,000
26	Kitsap	West Sound Utility District #1	Powell Booster Pump Station	\$2,850,000
26	Kitsap	West Sound Utility District #1	Lund Avenue Main Relocation	\$1,300,000
26	Kitsap	West Sound Utility District #1	Bethel Road SE Main Replacement	\$3,101,000
27	Pierce	City of Tacoma	Links to Opportunity Streetscape Project	\$2,500,000
27	Pierce	City of Tacoma	St Helens Avenue Improvement Project	\$1,500,000
28, 29	Pierce	Lakewood Water District	Country Place - GAC Filtration System	\$4,000,000
28, 29	Pierce	Lakewood Water District	88th and Pine - GAC Filtration Project	\$6,000,000
31	King	City of Auburn	Auburn Way South Improvements Hemlock Street SE to Poplar Street SE	\$3,000,000
31	Pierce	City of Sumner	Decant Facility	\$2,804,414
33	King	Lake Meridian Water District	635 Zone Booster PRV Station 2 Project	\$3,000,000
33, 34	King	Southwest Suburban Sewer District	Lift Station 4, 11, and 18 Retrofit	\$4,844,245
33, 34	King	King County Water District #20	S. 128th St Water Main Replacement Project	\$6,869,558
37	King	Skyway Water & Sewer District	South Sunnycrest Road Watermain Replacement (W30)	\$1,960,000
37	King	Skyway Water & Sewer District	Skyway Water Tank No. 2 Exterior Coating Replacement (W29)	\$675,000
37	King	Skyway Water & Sewer District	Small Works Watermain Upgrades (W10A)	\$1,120,000
37	King	Skyway Water & Sewer District	Tank Nos. 3 & 4 Coating Replacement (W24E)	\$977,000
40	Whatcom	Lake Whatcom Water and Sewer District	Division 7 Reservoir Replacement Project	\$800,000

Leg. Dist.	County	Jurisdiction	Project Name	Awarded
42	Whatcom	City of Lynden	Maintenance Facility	\$5,377,000
42	Whatcom	Birch Bay Water and Sewer District	Birch Point Reliability and Capacity Improvements	\$1,532,520
44	Snohomish	Cross Valley Water District	Lee Forest Reservoir Improvements	\$8,557,000
44	Snohomish	Silver Lake Water and Sewer District	10th Drive SE Water and Sewer Improvements	\$2,000,000
45	King	NE Sammamish Sewer and Water District	AC Pipe Replacement	\$5,000,000
<b>Total</b>				<b>\$222,810,061</b>

## Pre-construction

The Legislature authorized the pre-construction program in 1995 to more quickly advance project planning. Local governments may use pre-construction funding for design and engineering, bid-document preparation, environmental studies, and right-of-way acquisition. Legislation authorized the PWB to offer the program as loans and grants. The maximum award per project is \$1 million. The loan term is 5 years, including 2 years for project completion. Clients meeting the severe hardship criteria may receive 20% loan forgiveness, after completing the project's scope of work. Clients qualifying and accepting loan forgiveness may have a 2-year loan repayment deferral. Clients may convert from a 5-year to a 20-year term prior to their first principal payment. The client must have secured 30% of the project's construction funding to qualify. Preconstruction applications are accepted year-round and awarded quarterly.

**Table 2: Traditional programs awarded projects (pre-construction), fiscal year 2024**

Leg. Dist.	County	Jurisdiction	Project Name	Awarded
7	Okanogan	City of Pateros	Pateros Water System Plan	\$100,000
7	Douglas	City of East Wenatchee	N Kentucky Ave Corridor Improvements	\$1,000,000
7	Okanogan	Town of Twisp	Twisp Water System Plan Project	\$150,000
8	Benton	City of Richland	Horn Rapids Landfill Expansion and Organics Processing Project	\$500,000
10, 40	Skagit	City of Mount Vernon	2025 Comprehensive Sewer Plan Update	\$650,000
10, 40	Skagit	City of Mount Vernon	Combined Sewer Separation Feasibility Study	\$750,000
12	Chelan	City of Wenatchee	Roosevelt Ave. Utility Improvements Planning	\$200,000
15	Franklin	City of Pasco	Butterfield WTP Improvements - Project 1	\$1,000,000
16	Walla Walla	City of College Place	Reservoir #4 100% Design	\$427,130

Leg. Dist.	County	Jurisdiction	Project Name	Awarded
19	Wahkiakum	PUD #1 of Wahkiakum Co	Puget Island Water System Pre-construction	\$300,000
20	Clark	City of Ridgefield	S. Royle Road Improvements	\$625,000
24	Clallam	PUD #1 of Clallam Co	Clallam Bay/Sekiu Phase 3 Water Infrastructure Upgrades	\$175,000
26	Kitsap	City of Port Orchard	Bay Street Lift Station Replacement	\$1,000,000
32	Snohomish	Olympic View Water & Sewer District	Olympic View Sewer System Comprehensive Plan	\$250,000
33, 34	King	SW Suburban Sewer District	Salmon Creek Sewer Basin Rehabilitation & Repair Projects	\$566,500
44	Snohomish	Cross Valley Water District	Water Treatment Plant Upgrade	\$300,000
<b>Total</b>				<b>\$7,993,630</b>

## Emergency

The PWB began an emergency loan and grant program in 1988. PWB awards emergency construction funding to repair, replace, or reconstruct a facility that will restore essential services. Qualifying projects include infrastructure damaged by a natural disaster or to address an immediate threat to public health and safety due to unforeseen or unavoidable circumstances. The emergency program is open the entire biennium until all allocated funds are exhausted. The loan term is 20 years, or the life of the improvement, whichever is less. The maximum emergency award per project is \$1 million.

**Table 3: Traditional programs awarded projects (Emergency), fiscal year 2024**

Leg. Dist.	County	Jurisdiction	Project Name	Grant	Loan	Awarded
7	Pend Oreille	Town of Metaline Falls	Emergency Repair Metaline Falls Lift Station	\$254,190.07	\$254,190.07	\$508,380
7	Okanogan	City of Omak	Sewer Line Replacement	\$500,000	\$500,000	\$1,000,000
7	Okanogan	Town of Winthrop	SR20 Bridge Water Main Replacement	\$212,500	\$212,500	\$425,000
7	Douglas	City of East Wenatchee	N Baker Ave Emergency Stormwater Repairs	\$26,250	\$148,750	\$175,000
7	Chelan	City of Wenatchee	Fifth & Emerson Emergency Storm Repair	\$78,995.40	\$447,640.60	\$526,636
12	Chelan	City of Leavenworth	Pine Street Watermain Replacement: Titus Rd to Fir St	\$60,000	\$340,000	\$400,000
13	Grant	City of George	Emergency Well Improvements	\$300,500	\$300,500	\$601,000
13	Okanogan	City of Electric City	Sewer Line Repair	\$499,840	\$499,840	\$999,680

Leg. Dist.	County	Jurisdiction	Project Name	Grant	Loan	Awarded
17	Klickitat	City of Bingen	East Steuben Waterline Replacement - Section 1	\$90,000	\$510,000	\$600,000
19	Lewis	City of Aberdeen	Emergency Pump Station 4: Force Main Replacement	\$500,000	\$500,000	\$1,000,000
20	Lewis	Lewis County WSD 6	Water Treatment Plant Emergency Capacity/Reliability Improvement	\$132,250	\$132,250	\$264,500
27	Pierce	City of Tacoma	Union Ave Bridge Emergency Fire Damage Repair	\$250,000	\$750,000	\$1,000,000
27	Pierce	City of Tacoma	Hylebos Bridge Fender Repair	\$0	\$1,000,000	\$1,000,000
<b>Total Awards</b>						<b>\$8,500,196</b>

## Rating and ranking

In accordance with RCW 43.155.070, the PWB sets a scoring criteria and ranks applications for Construction and Pre-construction projects after the submission deadline closes. All applicants must meet a set of threshold criteria as defined in RCW 43.155.070 to be considered during the scoring process.

For fiscal year 2024, the PWB set the scoring criteria at their May 5, 2023 meeting. The criteria included a maximum of 100 points for:

- Project Need – Maximum of 70 points
  - System Status – Maximum of 40 points
  - Situation of Project – Maximum of 20 points
  - Documentation of Situation – Maximum of 10 points
- Readiness to Proceed and Local Management Effort – Maximum of 30 points

The minimum score to meet funding threshold was 65 points.

## Interest rates

The PWB sets the interest rate for loans prior to opening each application cycle. The rate is based on the average GO-11 Bond Index rates for the preceding 30 to 60 day period. For the fiscal year 2024 funding cycle, the interest rate was set to 1.72% and reduced for distressed or severely distressed jurisdictions.

## Unfunded projects

For the 2024 traditional public works construction loan cycle, **18 projects worth \$68.7 million** met the approved threshold for funding, but were not approved due to a lack of available state-appropriated funds. These include projects in distressed and severely distressed communities, such as the South Wenatchee Sewer and Stormwater Lining Project, the Doe Run Lift Station Rehabilitation and Replacement Project, and others.



# Programs overview: Broadband

## Broadband loan programs

In 2019, [Chapter 365, Laws of 2019 \(Senate Bill 5511\)](#) authorized the PWB to establish a competitive grant and loan program to promote the expansion of access to broadband service in unserved areas of the state. Investments under this authority are for the acquisition, installation, and construction of middle-mile and last-mile broadband infrastructure. Funds may also be used for strategic planning for the deployment of broadband service. This is codified under [RCW 43.155.160](#).



Lewis County Public Utility District preparing to install fiber at Rainbow Falls State Park, December 2023

Eligible applicants include local governments, federally recognized Indian tribes, nonprofit and cooperative organizations, special purpose districts, quasi-municipal corporations, limited liability corporations organized for the purpose of expanding broadband access, and incorporated businesses or partnerships. The PWB Broadband Program's goal is to connect people not currently served by speeds of at least 100 Mbps download and 20 Mbps upload. Through a competitive process, the PWB Broadband Program emphasizes project readiness and feasibility while also considering the role of the community in project planning. All assets or infrastructure created with PWB funding must be maintained for public use for a period of at least 15 years. The PWB may fund up to 50% of the total project cost in non-distressed and non-Indian Country<sup>2</sup> areas. In distressed or Indian Country areas, the PWB may fund up to 90% of the total project cost.

## Construction

The PWB Broadband construction funding program has provided state and federal funding for projects in rural and urban counties, connecting more than 10,000 unserved homes and businesses in Washington. During the 2022 legislative session, the PWB requested statutory amendments for program improvements and to provide funding for critical broadband infrastructure that has been damaged by unforeseen events. Final rules for these changes were implemented in March of 2023.

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<sup>2</sup> [Chapter 43.155.160\(1\)\(b\) RCW](#)



**Table 4: Broadband program awarded projects, fiscal year 2024**

Leg. Dist.	Jurisdiction	County	Project Name	Grant	Loan	Awarded
7	Okanogan PUD #1	Okanogan	Conconully FTTx	\$1,140,000	\$2,660,000	\$3,800,000
7	Okanogan County Electric Cooperative	Okanogan	Okanogan County Connect Phase Two	\$1,500,000	\$3,500,000	\$5,000,000
9	Spokane Regional Broadband Development Authority	Spokane	South Spokane County Rural Towns Open Access Mid-mile Connectivity	\$0	\$2,000,000	\$2,000,000
10	Whidbey Telephone Company	Island	Whidbey Telecom - Deer Lake West	\$0	\$3,723,727	\$3,723,727
10	Whidbey Telephone Company	Island	2024 Clinton	\$764,547.83	\$3,730,073	\$4,494,621
17	Klick Networks, LLC Trout Lake FTTH	Klickitat	Trout Lake FTTH	\$240,000	\$560,000	\$800,000
24	Jefferson PUD #1	Jefferson	Northeast Olympic FTTP	\$1,200,000	\$2,800,000	\$4,000,000
<b>Total Awards</b>					<b>\$23,818,348</b>	

## Emergency

The Emergency broadband program has \$1 million available as of August 1, 2024. Eligible projects include construction, repair, reconstruction, replacement, rehabilitation, or improvement to existing broadband infrastructure made necessary by a natural disaster or damaged by unforeseen events. The Board grants priority to emergency public works projects that replace existing infrastructure of the provider whose facilities were damaged by the unforeseen event.

## Interest rates

The interest rate is set prior to each cycle and is based on the average daily market rate for tax-exempt municipal bonds for the preceding 30 to 180 day period. The interest rates for fiscal year 2024 were set by Board action at its June 2, 2023 meeting. For fiscal year 2024, the interest rate on a 15-year loan ranged between 0.42% and 1.69% depending on community financial health categorized as *severely distressed*, *distressed*, and *standard*.

## Broadband coordination

The Community Economic Revitalization Board (CERB), the Washington State Broadband Office (WSBO), and the PWB coordinate and collaborate intentionally to further the state’s broadband goal to connect every home and business with high-speed internet access. The three entities meet regularly, participate in application cycle reviews, co-present at conferences and workshops, and have co-invested in community broadband projects.

During this reporting period, the PWB Broadband Construction Program received seven applications seeking a combined total of \$23.8 million. The Board approved the awards of \$23.8 million in state loan funding at its October 2023 and May 2024 Board meetings. On May 3, 2024, the Board awarded an additional \$4.8 million as grant funding for five out of the six top-ranked projects located in distressed and severely distressed communities.

## Public Works Assistance Account transfers

The Public Works Assistance Account (PWAA) receives revenues from the real estate excise tax (REET), public utility tax, the solid waste tax, and PWAA loan repayments. These revenues support infrastructure financing for local governments as well as other programs as directed by the Legislature. In the 2023-25 biennium, programs outside the direct work of the PWB supported by funds from the PWAA include:

Conservation Commission	\$10,000,000
Move Ahead WA Account	\$114,000,000
Drinking Water State Revolving Fund 20% State Match	\$3,000,000
Clean Water State Revolving Fund 20% State Match	\$35,000,000
Community Aviation Revitalization Board (CARB)	\$5,000,000
<b>TOTAL DIVERSIONS</b>	<b>\$167,000,000</b>

## Loan activity and estimated loan repayments

Table 5: Fiscal Year 2024 Public Works Board loan activity by program

Loan program	Applicants	Amount requested	Awards	Amount awarded	Amount unfunded
Pre-construction	16	\$7,993,630	16	\$7,993,630	\$0
Construction	85	\$312,224,348	61	\$222,810,061	\$90,596,429
Emergency	13	\$8,500,196.14	13	\$8,500,196	\$0
Broadband	7	\$25,600,000	7	\$23,818,348	\$5,505,379

In fiscal year 2024, the PWB awarded 16 pre-construction project loans for close to \$8 million, 61 construction project loans for \$222.8 million, 13 emergency project loans for \$8.5 million, and seven broadband construction project loans for \$23.8 million. Each application reviewed and awarded met the PWB's threshold criteria outlined in [chapter 43.155.070 RCW](#).

Each year, the PWB receives loan payments from projects funded as far back as 2004. Revenue to the Public Works Assistance Account includes both the principle and interest from those loans. In fiscal year 2024, the PWAA received \$83,540,452.58 in loan repayments from awardees that received PWB funding in previous cycles.

### Estimated loan repayments for fiscal year 2025 to fiscal year 2034

During the next 10 years, the anticipated level of loan repayments due for active loans is \$423,173,061.53. Historically, 50% of repayments that are due in July are actually received in June. Repayment calculations based on funds drawn by June 30 are not an estimate of how much will be drawn in the next five years. Rather, calculations represent the amount of loan repayments that the PWAA would receive within a standard repayment schedule.

**Table 6: Estimated loan repayments FY25-FY34**

Fiscal year	Estimated loan repayment
FY 25	\$73,707,547.01
FY 26	\$64,639,919.69
FY 27	\$55,771,690.75
FY 28	\$51,247,921.21
FY 29	\$39,884,432.44
FY 30	\$37,744,841.46
FY 31	\$37,312,303.55
FY 32	\$25,139,447.49
FY 33	\$19,368,095.49
FY 34	\$18,356,862.46
<b>Total repayments</b>	<b>\$423,173,061.53</b>

# Appendix A: Public Works Board members and contacts

## Board Members

### General Public Representatives

- Board Chair, Kathryn A. Gardow, PE, Seattle
- Vice Chair, Gary Rowe, PE, Norland
- Darlene McHenry, Liberty Lake
- Monica Santos-Pinacho, Vancouver

### City Representatives

- The Honorable Dr. Jeralee Anderson, PE, City of Redmond Council Member
- The Honorable Ed Stern, City of Poulsbo Deputy Mayor
- Rob Jammerman, City of Wenatchee Public Works Director, term ended June 30, 2024.
- Josh Diekmann, City of Tacoma Transportation Division Manager, term began October 25, 2024.

### County Representatives

- The Honorable Jerome Delvin, Benton County Commissioner
- Kelly Snyder, MPA, Snohomish County Public Works Director
- The Honorable Sharon Trask, Mason County Commissioner

### Public Utility District Representative

- Matthew Stevie, Okanogan Public Utility District Environmental Coordinator

### Sewer and Water District Representatives

- Justin Clary, PE, Lake Whatcom Water and Sewer District General Manager
- The Honorable Lora Petso, Olympic View Water and Sewer District Commissioner

## Board Contacts

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