



*Emergency repairs to landslide damaged Basich Boulevard, a tsunami evacuation route in Aberdeen*



## **PUBLIC WORKS BOARD**

*Fiscal Year 2020*

*Infrastructure Loans and Grants*

September 2020

Report to Legislature

Scott Hutsell, Public Works Board Chair





WASHINGTON STATE  
**PUBLIC WORKS BOARD**  
PO Box 42525  
OLYMPIA, WA 98504-2525

On behalf of the Public Works Board (PWB), and in accordance with [RCW 43.155.070 \(6\)](#), I am pleased to submit the 2020 Legislative Report on PWB activities in the 2020 fiscal year. This year, the PWB funded:

- \$3.7 million to nine pre-construction projects, allowing jurisdictions to move forward the projects that will build the Washington of tomorrow.
- \$93.0 million to twenty-six construction projects for critical infrastructure repair, replacement, and creation.
- \$4.6 million for five emergency construction projects to address damage caused by natural disasters, or respond to immediate and emergent threats to the public health and safety.
- \$450 thousand for nine broadband planning-feasibility grants to further the development of broadband infrastructure in unserved areas of the state.

Even with this level of funding, the resources obligated in fiscal year 2020 don't begin to touch the demand for infrastructure funding at the local level.

In recent years, the PWB has been all too aware of the state's extraordinarily difficult financial condition and the demands placed upon its finite resources. With the economic recession caused by COVID-19, it is pertinent to reiterate that infrastructure is the backbone of sustained economic recovery and growth. For too long competing budgetary requirements have minimized infrastructure system funding, leaving aging and failing systems in desperate need of repair, replacement, and modernization.

The PWB with our county, city, and special district partners are committed to the task of retaining existing loan repayments and dedicated tax revenues for infrastructure investment. We are hopeful that revenues intended for local infrastructure investment will serve their intended purpose. A stable Public Works Board provides the consistent, affordable, and user-friendly funds local governments have relied upon for the last 35 years.

The PWB's loans and grants, as awarded in fiscal year 2020, will support 49 critical infrastructure projects—projects that will protect the health and safety of the public, ensure the maintenance of environmental health, decrease the digital divide, increase equity, and provide for sustained economic recovery and growth. The PWB's \$101.8 million investment will leverage more than \$299.5 million over the next five years of planning and constructing these projects. These funds will generate over 4,300 living wage jobs and strengthen local communities.

To discuss and learn more about the information conveyed in this report, please contact Karin Berkholtz, Public Works Board Executive Director. Karin can be reached at [karin.berkholtz@commerce.wa.gov](mailto:karin.berkholtz@commerce.wa.gov) or by phone at 360-688-0313.

Sincerely,

A handwritten signature in blue ink that reads "Scott M. Hutsell".

Scott Hutsell, Public Works Board Chair



# Public Works Board—Fiscal Year 2020 Report

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# Public Works Board Members

## General Public Representatives

Board Chair, The Honorable Scott Hutsell, Lincoln County Commissioner

Vice Chair, The Honorable JC Baldwin, Port of Chelan County Commissioner

Senator Mary Margaret Haugen, Retired

Gary Rowe

## City Representatives

The Honorable Dr. Jeralee Anderson, City of Redmond Council Member

Mark R. Dorsey, PE, City of Port Orchard, Public Works Director

Vacant

## County Representatives

The Honorable Jerome Delvin, Benton County Commissioner

Erik Martin, PE, Lewis County Manager

The Honorable Sharon Trask, Mason County Commissioner

## Public Utility District Representative

Mark Scott, Pend Oreille Public Utility District No. 1, Water System Manager

## Sewer and Water District Representatives

The Honorable Pam Carter, Valley View Sewer District Commissioner

Diane Pottinger, PE, North City Water District Manager

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Report prepared by Public Works Board Staff

This report is available on the [PWB website](#).

Alternate formats available upon request at 360.725.3161

Administrative services provided by:



Director of Commerce, Dr. Lisa Brown

# Year in Review

## Staffing

Public Works Board (PWB) staff are housed within the Local Government Division's Boards Unit at the Department of Commerce. This unit also houses the dedicated staff for the Community Economic Revitalization Board and the Small Communities Initiative. This enables staff to optimize operations as the functions that support independent policy boards are similar.

This year, the PWB welcomed a new Executive Director, Karin Berkholtz, a new Board Liaison, Ellen Hatleberg, and the three staff making up the PWB Broadband Program team—Shelley Westall, Jeff Takahashi, and Sheila Richardson.

## Training and Technical Assistance

Since 2016, the PWB has sponsored regional training events across the state. These events bring technical assistance and training to local jurisdictions, and are part of the PWB's dedication to the success of the state's infrastructure system.

The PWB scheduled four regional training events, between March and June of 2020. Two of the sessions were coordinated with local community colleges to allow students from water and wastewater operator certification programs to participate. These sessions were to feature a second day of training focused on economic development, equity, and cross-jurisdictional planning. The COVID-19 pandemic forced the cancellation of these in-person events. However, the PWB and its partners at the departments of Ecology and Health will be conducting online training events in July of 2020 to provide needed technical assistance to local jurisdictions.

PWB staff also engages routinely with local governments to provide direct technical assistance for their projects and contract management. Assisting in local capacity building and project development are cornerstones to PWB client interactions.

PWB staff also focus on outreach and engagement activities. Consistent with the

adopted Communications Plan, staff regularly posts to social media and distributes a quarterly newsletter. PWB members and staff engage in on-site and regional activities such as site visits, technical assistance teams, conferences, and stakeholder meetings. These interactions are opportunities to directly engage with communities and partner agencies and organizations and keep abreast of local concerns, opportunities, plans, successes, and challenges. Through these activities, PWB members and staff serve as resources for creative problem solving and best practices.

## Sync Update

As authorized under [RCW 43.155.150](#) in 2017, the PWB continues to act as the lead agency and convener of an interagency multi-jurisdictional system improvement team. This team, known as [Sync](#), coordinates with state and local agencies, clients, stakeholders, legislators, and infrastructure experts to develop a more efficient and effective process of financing infrastructure.

Active Sync partners include the PWB and the departments of Health, Commerce, and Ecology. While initially focused on water systems, the scope of Sync has expanded to include the Washington State Department of Transportation and the Transportation Improvement Board.

Each infrastructure system has its unique financing and unique solutions. The needs and opportunities for interagency collaboration and coordination; for the efficient and effective investment in and support for local infrastructure systems; and for technical assistance and training will endure beyond the June 31, 2021 Sync sunset date.

The 2019 [Sync legislative report](#) outlines their process, their discoveries, challenges, and opportunities, and the system improvements implemented. Sync and its partners have continued to develop and adopt process improvements across key programmatic areas. Sync will submit its final legislative report in summer 2021.

# Public Works Board Traditional Programs Overview

## Traditional Loan Programs

The Legislature has tasked the PWB with prioritizing 19 different factors when evaluating applications to their traditional programs, as detailed in [RCW 43.55.070 \(4\) \(a\)](#).

The maximum amount of funding that the PWB may provide for a jurisdiction is \$10 million per biennium combined between the construction and pre-construction programs.

### Construction

Legislation enacted in 1985 ([RCW 43.155](#)), authorizes PWB to make low interest loans to counties, cities, and special purpose districts. These loans are for projects that repair, replace, or create domestic water systems, wastewater systems, stormwater systems, roads, streets, solid waste and recycling facilities, and bridges.

Loan awards are based on a competitive process. There is a maximum \$10 million award limit per jurisdiction, per biennium. The



*Jurisdiction: Discovery Clean Water Alliance  
Location: Salmon Creek Treatment Plant  
Project: Odor Control and Facility Upgrades  
Award: \$9,040,000  
[Click for project fact sheet](#)*

loan term is 20 years, including five years for construction completion. The interest rate is set prior to each application cycle and is based on the average 11-Bond GO Index rates for the preceding 30-60 day period. For FY20, the interest rate on a 20 year loan ranged between 0.79% and 1.58% depending on community financial distress.

During this reporting period, the PWB opened one Construction loan application cycle, which completed in August of 2019. In this cycle, 65 applications were received, 57 scored above threshold, and 21 received funding. Over \$160 million in qualified applications were denied due to lack of funding.

### Pre-Construction

Since 1995, the PWB has been authorized to provide pre-construction loans. In collaboration with local government officials, the PWB developed program policies and determined that the following pre-construction types of activities would be eligible for funding:

- Design and engineering
- Bid-Document preparation
- Environmental studies
- Right-of-way acquisition

The PWB Pre-construction program offers competitive loans. The maximum award per project per project is \$1 million. The loan term is 5 years, including 2 years for project completion. The interest rate is determined prior to each application cycle (currently ranged between 0.40% and 0.79%).

- 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.

# Public Works Board Traditional Programs Overview

During this reporting period, the PWB opened one Pre-construction loan application cycle, which completed in August of 2019. In this cycle, 9 applications were received, all passed scoring threshold and received full funding.

## Emergency

Since 1988, the PWB has been authorized to loan emergency construction funding to repair, replace, or reconstruct a facility that will restore essential services.

Eligible projects are a public works project made necessary by a natural disaster, or an immediate and emergent threat to the public health and safety due to unforeseen or unavoidable circumstances.

Emergency loan terms for FY20 were:

- \$1,000,000 max per jurisdiction per project.
- Local match: not required.
- Interest Rate Range: 0.79% to 1.58%.
- Loan Term: 20 years or the life of the improvement, whichever is less.

Emergency loan applications are an open cycle



Jurisdiction: City of Moxee  
Location: City Well #2  
Project: Emergency Well Replacement  
Award: \$1,000,000  
[Click for project fact sheet](#)

until all funds are exhausted. The PWB received and approved five Emergency applications in FY20, for a total of \$4,638,000 in funding.

## Threshold Requirements

The following threshold requirements are necessary to qualify for funding under the Pre-Construction, Construction, and Emergency loan programs. **Failure to meet all threshold requirements will disqualify an application.**

### Capital Facilities Plan Standards

[RCW 36.70A.070](#)

### Compliance with Executive Order 05-05

[Governor's Executive Order 05-05](#)

(state funding)

[National Historic Preservation Act Section 106](#)

(federal funding)

### Greenhouse Gas Policy

[RCW 70.235.070](#)

### Growth Management Act Compliance\*

[RCW 43.155.070 \(2\)](#)

[RCW 36.70A.040](#)

### Real Estate Excise Tax (REET)

[RCW 43.155.070 \(1\) \(a\)](#)

[RCW 82.46.010 \(2\)](#)

### Special Purpose District Consistency with Local Comprehensive Land Use Plans

[RCW 43.155.070 \(3\)](#)

### Sanitary Sewer Projects - Side Service Sewer Connections

[RCW 35.67.360](#)

\*GMA compliance requirement can be waived by the PWB for public health and safety Emergency loans.

## Additional Considerations

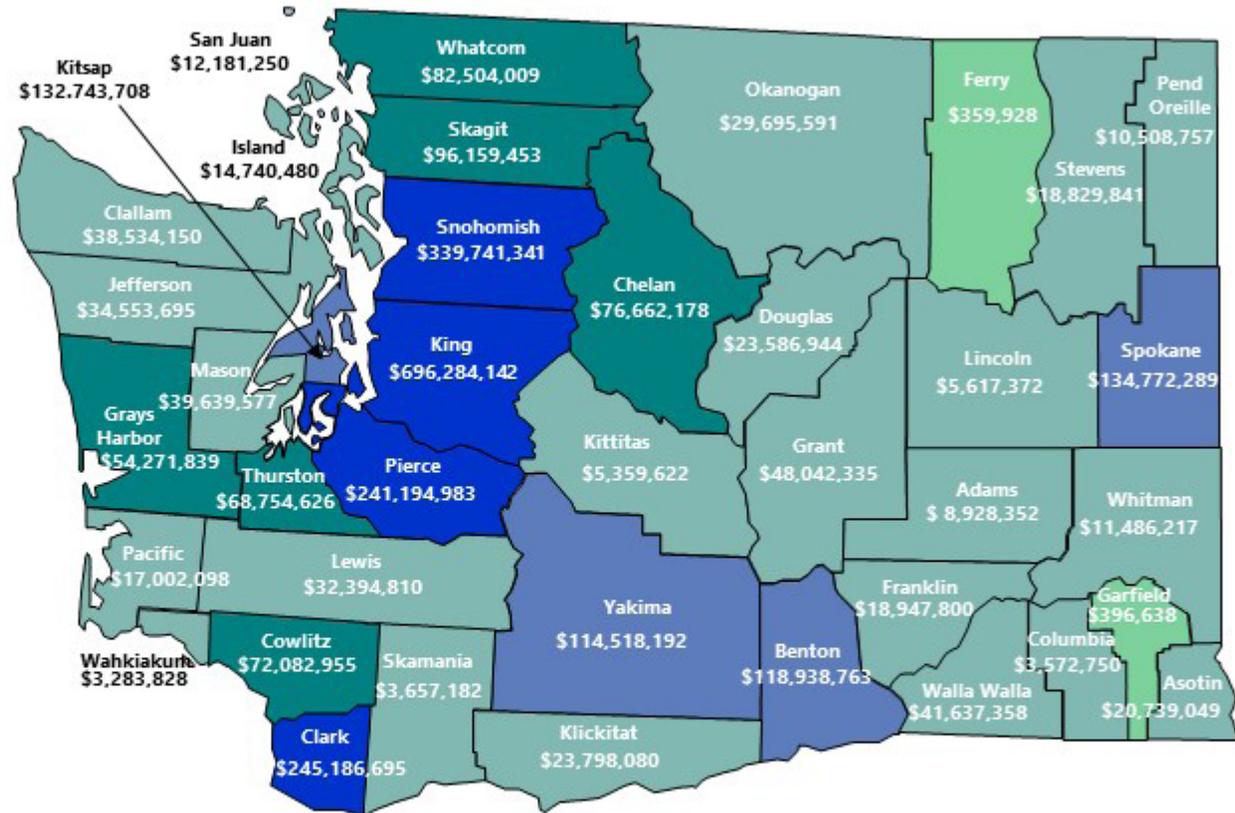
### Puget Sound Partnership

[RCW 43.155.110](#)



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

# PWB Traditional Programs PWAA Loans 1986 – 2020 for \$2.9 billion\*



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 Executive Director  
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 Program Director  
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The Public Works Board (Board) is authorized by state statute ([RCW 43.155](#)), to loan money (Public Works Assistance Account- PWAA) to counties, cities, and special purpose districts to repair, replace, or create domestic water systems, sanitary sewer systems, storm sewer systems, roads, streets, solid waste and recycling facilities, and bridges.

\*County totals vary year to year due to de-obligations, terminations, and award withdrawal due to non-compliance.

# FY20 Traditional Programs Loan Summaries

**Figure 1: What was the FY20 PWB Traditional Programs loan activity by program?**

Loan Program	Applicants	Amount Requested	Awards	Amount Obligated	Amount Unfunded
Pre-construction	9	\$3,738,831	9	\$3,738,831	\$0
Construction*	65	\$245,000,694	22	\$84,612,252	\$160,388,442
Emergency**	5	\$4,638,000	5	\$4,638,000	\$0
<b>Total</b>	<b>79</b>	<b>\$253,377,525</b>	<b>36</b>	<b>\$92,989,083</b>	<b>\$160,388,442</b>

\*In FY20, the PWB administered four direct appropriation projects for an additional \$8.4 million. As these projects are grants and not loans, they are not reflected in this chart.

\*\*The PWB received several Emergency Loan inquiries regarding aging pipes or lack of maintenance. These do not qualify to meet the emergency definition. Eligible projects are a public works project made necessary by a natural disaster, or an immediate and emergent threat to the public health and safety due to unforeseen or unavoidable circumstances.

In fiscal year 2020, the PWB awarded nine Pre-construction project loans for \$3.7 million, 22 Construction project loans for \$84.6 million, and five Emergency project loans for \$4.6 million, benefiting 36 communities (Figure 1). Each application reviewed and awarded met the PWB's threshold criteria outlined in 43.155.070 RCW.

Together, the \$93 million in PWB loans leveraged more than \$289 million in state, federal, and local infrastructure investments. In FY20, \$17,345,939 was disbursed from the PWAA to previously awarded project loans.

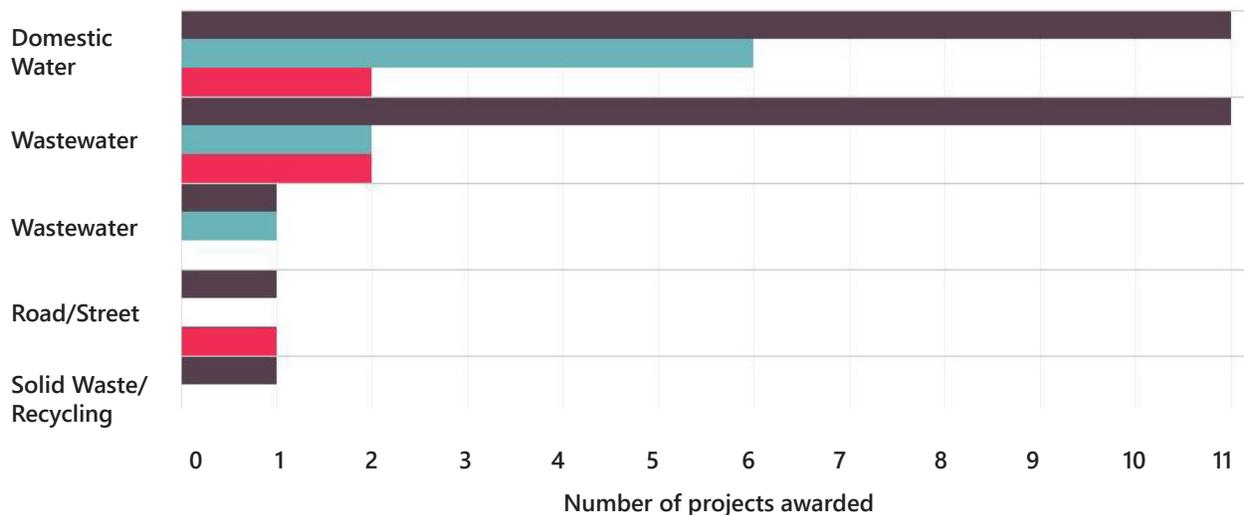
Figure 2 presents FY20 loans by project and system type. The majority of projects focused on water-related infrastructure.

The level of loan repayments that deposited into the PWAA during FY20 was \$194,810,111.

In the next ten years, the anticipated level of loan repayments due for outstanding loans is \$582,425,792 (Figure 3, next page). Repayment years are based on when the loan repayment is due, rather than an estimate of how many will pay early, or pay more than required.

Repayment calculations are based on draws

**Figure 2: What was the FY20 distribution of awards by system type for Construction, Pre-construction, and Emergency?**



# FY20 Traditional Programs Loan Summaries

to date and are not an estimate of how much will be drawn in the next five years. Rather, calculations represent the amount of loan repayments the PWAA would receive within a standard repayment schedule.

**Figure 4** presents the interest rates for PWB Traditional Programs loans in FY20. The basis by which PWB staff computed interest rates relies on the average daily market rate for the period 30 to 60 days prior to the loan cycle. As there was only one loan cycle in FY20, interest rates did not vary.

Determination of an applicant's distressed status is dependent on the system type—rate-based or non-rate-based. Rate-based projects must consider the impact on ratepayers, and the affordability index (AI) is the metric used. For non-rate-based projects, debt service coverage ratio (DSCR) indicates a jurisdiction's ability to assume new debt.



*Jurisdiction: City of Richland  
Location: Horn Rapids Landfill  
Project: Landfill Improvements  
Award: \$4,000,000  
[Click for project fact sheet](#)*

**Figure 3:** What are the estimated loan repayments FY21 to FY30?

Fiscal Year	Estimated Loan Repayment
FY 21	\$96,172,170
FY 22	\$88,631,211
FY 23	\$78,551,274
FY 24	\$70,557,278
FY 25	\$61,554,119
FY 26	\$51,261,994
FY 27	\$43,889,712
FY 28	\$38,337,783
FY 29	\$28,616,735
FY 30	\$24,853,516
<b>Total Repayments</b>	<b>\$582,425,792</b>

**Figure 4:** What were PWB interest rates in FY20?

Loan term greater than 5 years	
Designation	Rate-Based (AI) Non-Rate-Based (DSCR)
Regular rate	1.58%
Distressed	1.27%
Severely distressed	0.79%

Loan term 5 years or less	
Designation	Rate-Based (AI) Non-Rate-Based (DSCR)
Regular rate	0.79%
Distressed	0.63%
Severely distressed	0.40%

# FY20 Traditional Programs Construction Application Characteristics

**Figure 5:** What were the primary system issues identified in FY20 PWB construction applications? How did that correlate to passing **threshold** and funding **award**?

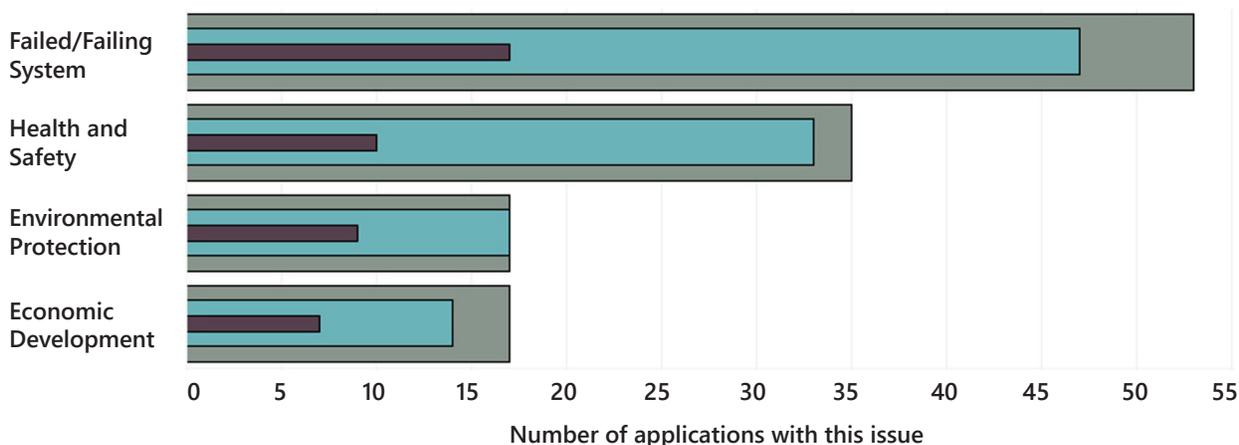


Figure 5 is a snapshot of the state's infrastructure system and shows project characteristics for applicants seeking Traditional Programs construction financing. It paints a stark and all too real picture of Washington's infrastructure. Statewide these systems are aging and in need of maintenance, repair, and replacement.

While this is no surprise for infrastructure professionals, funding for these types of projects has been marginalized for nearly a decade. The PWB, and our funding partners, seek to reach a level of availability and consistency wherein all projects meeting rating threshold can receive funds across the programs. We look forward to a future where systems have the financing necessary to move forward with projects that are not a response to crisis or regulatory issue. Statewide, this will require not only solid planning and proactive movement towards resilient systems, but also a commitment by state and local decision makers to prioritize infrastructure investment through consistent and reliable funding.

The PWB remains committed to advocating for infrastructure investment, and being a source that local communities can turn to for their technical assistance, training, and financing needs. As a part of that commitment, the PWB is pursuing funding in the upcoming biennial budget. If appropriated, these funds will enable

the PWB to remain an active partner with local governments to create the necessary infrastructure to stabilize, maintain, and expand their economy; ensure the health and safety of their residents; and provide critical protection for the environment for generations to come.

This is the opportunity for the state to reaffirm their dedication to the economic, environmental, and personal health of Washington.

The following pages detail the priorities of the Public Works Board's Traditional Programs.



*Jurisdiction: PUD 1 of Skagit County  
Location: Judy Water Treatment Plant  
Project: Judy WTP to Mt Vernon Transmission  
Award: \$6,494,164  
[Click for project fact sheet](#)*

# Traditional Programs Priority Area: Health and Safety



*Existing West Plains area water reservoirs serving the SIA Pressure Zone in Spokane*

Clean, contaminant free drinking water; wastewater transported without spillage and treated before release; maintained and efficient roadways and bridges; stormwater mitigation and treatment; and effective solid waste disposal are all expectations of residents in a modern world. When these expectations are not met, there is a clear and active threat to public health and safety.

In partnering with local jurisdictions, the health and wellbeing of the local community is a primary focus of the Public Works Board. Over half of the FY20 construction loan applications and all of the emergency loan applications identified a public health and safety need. One such project is the Spokane International Airport (SIA) Additional Reservoir project.

The cities of Airway Heights and Spokane have an intertie between their water systems, which allows for the sharing of domestic water. This interconnection became vitally important to the city of Airway Heights in 2017 when firefighting foam contaminants (PFAS) were discovered in the City's wells and it was no longer allowed to provide domestic water service to over 9,000 people. By utilizing the Spokane intertie, the city of Airway Heights was able to reestablish

service to these customers. This remains the City's source for domestic water.

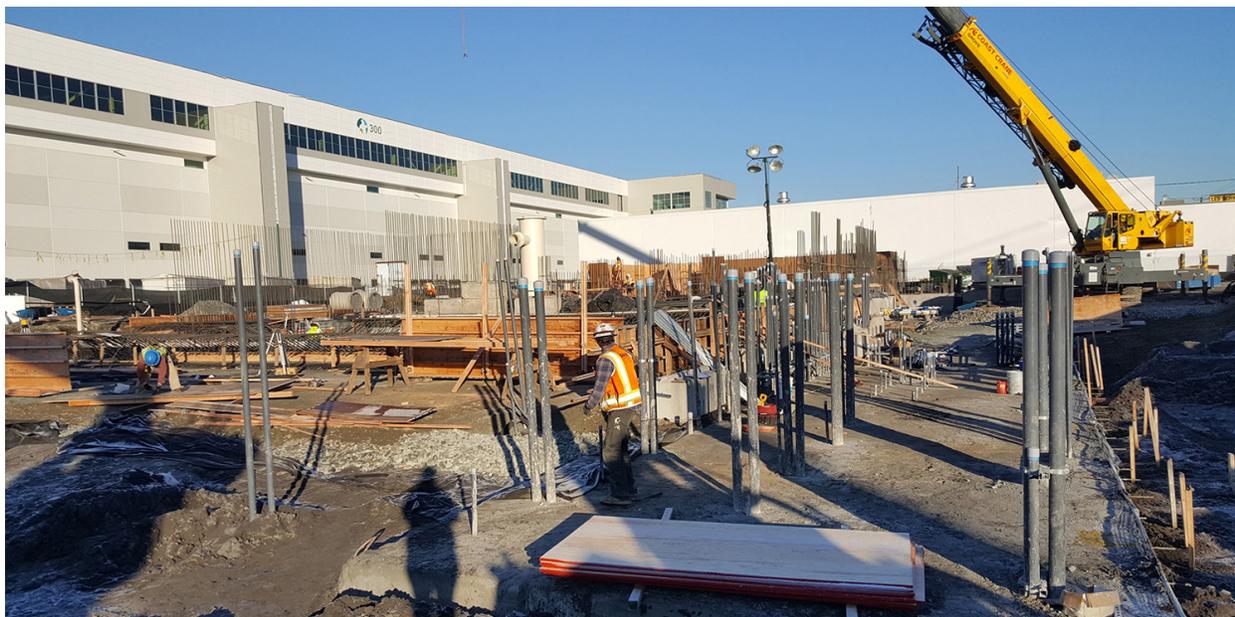
The continued use of this intertie places large demands on the city of Spokane's water system. It also places the City at risk of not being able to supply adequate fire flow within the SIA Pressure Zone, which serves the West Plains area and the Airway Heights intertie.

With the support of a 2020 Public Works Board construction loan, the city of Spokane is constructing an additional 4.5 million gallon storage reservoir. When completed, this will:

- Ensure that residential and commercial customers in the West Plains area have uninterrupted access to clean, contaminant free domestic water.
- Maintain adequate system pressure for fire flow during peak usage times, even when the interties are being utilized.
- Provide adequate storage for anticipated regional growth.
- Continue the availability of emergency intertie services to other water systems.

[Click for project fact sheet](#)

# Traditional Programs Priority Area: Environmental Protection



*Ongoing construction of the Georgetown Wet Weather Treatment Station in Seattle*

Majestic mountains, lush forests, rolling prairies, mighty waterways, and rich biodiversity are but a few of the natural aspects of Washington that attract and retain business and industry, tourists, and residents. Minimizing negative human impacts on natural resources is another focal point for Public Works Board Traditional Programs.

A quarter of the applications submitted for FY20 PWB construction funding and forty percent of FY20 emergency construction loan requests addressed environmental protection needs. One such project is King County's Georgetown Wet Weather Treatment Station (GWWTS), located in Seattle.

In 2013, King County entered into a Consent Decree with the state Department of Ecology and the US Environmental Protection Agency to control untreated discharges from combined sewer overflow (CSO) outfalls. At that time, 14 outfalls needed capital projects to come into compliance with Ecology standards. The annual discharge of untreated or partially treated wastewater and stormwater from these outfalls into the Puget Sound and Seattle's lakes and rivers was in the millions of gallons. Predictably,

the resulting environmental degradation affected aquatic habitat, wildlife, public health and safety, and economic development.

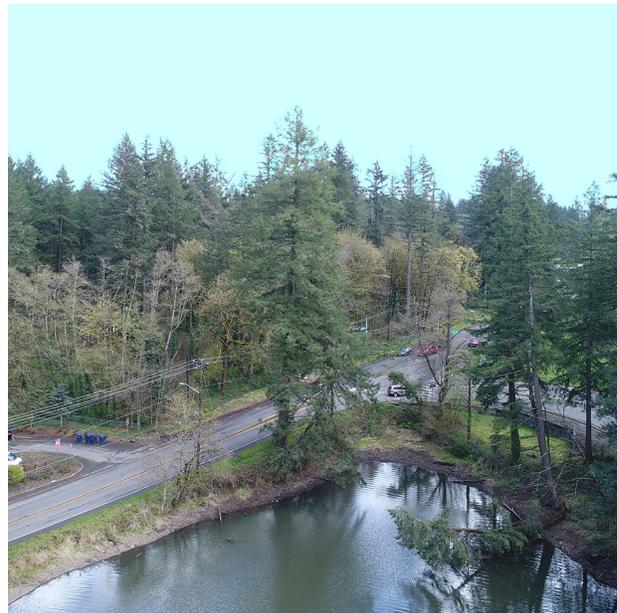
The GWWTS is a 70 million gallon per day capacity solution that enables two CSO outfalls to operate in compliance with Ecology regulations. The reduction in contaminant introduction into the Duwamish River will assist in local cleanup activities for the waterway and recovery of habitat.

This project, located at a former brownfields site, goes beyond managing a known issue and looks toward sustainability through practices such as landfill demolition material diversion and reduced chemical usage in the treatment process. Additionally, this Envision Platinum Award winning project is designed to meet changing demands associated with climate change and will include:

- Permeable pavement.
- A green roof.
- Rain gardens and cisterns.

[Click for project fact sheet](#)

# Traditional Programs Priority Area: Economic Development



*Design and location for the new State Route 500 and Lake Road interchange in Camas*

Infrastructure is the backbone of sustained economic recovery and growth. It is a primary factor in site selection for new business locating to the state, and is a requirement for the continued operations and expansion of existing business. Infrastructure is also a primary factor in housing development and affordability; education access and opportunity; and recreational and tourism opportunities. Inadequate investment in infrastructure negatively impacts the ability of local economies to diversify and grow.

A quarter of the applications submitted for FY20 PWB construction funding identified economic development as a driver for the proposed project. Economic stabilization and affordability are inexorably tied to the 82% of applicants who sought funding to address failed or failing systems. One project that addressed a direct economic development component, as well as multiple failing systems, is the city of Camas' State Route 500 and Lake Road interchange.

The existing T-intersection of State Route 500 and Lake Road is the connection point between two minor arterial roads. This is the most significant node in the City's network, and serves approximately 19,000 average daily trips in the North Shore area. The intersection

currently operates at a Level of Service D, and will reach failure within the planning horizon. Without correction, further development of this region is not possible and, due to terrain features, there is no available alternative route.

Beyond the multiple schools and recreational areas accessed through this interchange, the North Shore area is a premier site for economic development. However, without a traffic solution, development of the available 235 acres of commercial/industrial land and the 225 of residential zoned land is impossible.

Through an extensive and inclusive evaluation process, the designed roundabout was chosen as the preferred traffic solution. This project will not only address traffic mobility needs into the future, it will:

- Allow the development of 460 acres of commercial, industrial and residential land.
- Create pedestrian sidewalks between parking facilities and recreational destinations.
- Resolve stormwater issues and prevent untreated stormwater from entering Lacamas Lake.

[Click for project fact sheet](#)

# Traditional Programs Priority Area: Multi-System, Multi-Benefit



*Washington Avenue South in Long Beach*

By design and by necessity, infrastructure systems are linked to one another. The principle of digging once is a best management practice and the cornerstone of the multi-system approach, wherein these linked systems are installed, upgraded, and replaced together. By doing so, jurisdictions are able to realize overall project cost savings, greater efficiency in the allocation of personnel, decreased service disruptions, and increased benefit for the public and the environment.

More than a third of the applications submitted for FY20 PWB construction funding and over half of FY20 emergency construction loan requests addressed multiple infrastructure systems. One such project is the city of Long Beach's Washington Avenue South project.

The city of Long Beach is a tourist destination with one primary street running through town. Businesses driven by tourism line this main street, creating a situation where high pedestrian traffic interfaces with the City's highest traffic density road. While this situation cannot be completely alleviated, the creation of a viable alternate route through the city for local residents and visitors moving to other locations along the Long Beach Peninsula will

reduce traffic congestion and decrease the opportunities for a vehicle/pedestrian collision.

In addition, the water main serving the southern half of the City's water distribution system is deteriorating, undersized, and leaking almost twice the Department of Health maximum allowable standard. The result is that businesses in the service area receive one third of the standard for fire flow, and Long Beach Elementary School only has half of the standard. Additionally, the high leakage increases the likelihood of contaminant intrusion in to the water system.

This multi-system project will install a new, water main scaled to meet current and future water system demands under Washington Avenue South. It will also widen and resurface the debilitated roadway to create a viable alternative route through the city. This project will realize immediate cost savings for the City through reduced system water loss, ensure adequate fire flow, reduce congestion and the potential for vehicle/pedestrian accidents, and allow for future growth and economic development.

[Click for project fact sheet](#)

# Traditional Programs Priority Area: Co-Funding



*One section of Waterville's wastewater system upgrade mid-construction and completed*

While there are advantages to having a single source of project funding, sometimes this is not possible. Whether the cause is program funding limitations or simply insufficient resource availability, co-funding is often a necessary component of project budgeting. Co-funding occurs when two or more state or federal funding agencies provide the resources necessary to complete a project.

A third of the applications submitted for FY20 PWB construction funding and forty percent of FY20 emergency construction loan requests utilized co-funding to move their projects forward. One such project is the town of Waterville's sewer collection improvements.

In the town of Waterville, the wastewater system has been compromised with infiltration causing excessive flows. Due to these flows surpassing design capacity, the Town has had to initiate effluent irrigation in violation of their permit to avoid direct discharge of partially treated wastewater into the adjacent creek. The situation is not only an ecological and public health issue; it is also an economic development issue as the Town has implemented a moratorium on new sewer

connections until the system is able to maintain regulatory compliance.

The pre-construction activities for this project were funded through grants from Douglas County and the Washington State Department of Ecology. Local funds and the Public Works Board construction loan will pay for the replacement of multiple sections of failing wastewater mains within the town.

The successful completion of this project will:

- Reduce infiltration and influent flows to the treatment plant.
- Enable the Town to comply with the approved spray field operation.
- Meet loading requirements for effluent irrigation.
- Allow the Town to lift the existing sewer connection moratorium.

[Click for project fact sheet](#)

# Traditional Programs Priority Area: Leveraging Federal Funds



*Levee repairs to protect the Okanogan Wastewater Treatment Plant*

Federal investment in Washington infrastructure allows for the maximization of state and local resources. Not counting state programs that pass through federal dollars, seven of the FY20 construction applications and one of the FY20 emergency applications leveraged federal dollars. The city of Okanogan's wastewater treatment plant levee repair is one of these projects.

In May 2018, rapid snow melt resulted in 24 days of sustained flows exceeding flood stage on the Okanogan River. This flooding caused scouring of riprap and embankment material from the levee that protects the Okanogan wastewater treatment plant and the Public Utilities Department shop and equipment. Sinkholes, sand boils, and quick conditions were observed within the damaged levee area. As a result, floodwaters entered the property. Fortunately, the City implemented emergency procedures and temporary pumping to keep the water from entering the treatment plant.

When the floodwaters receded, the damaged levee could no longer supply adequate flood protection as required under US Army Corps of Engineers standards.

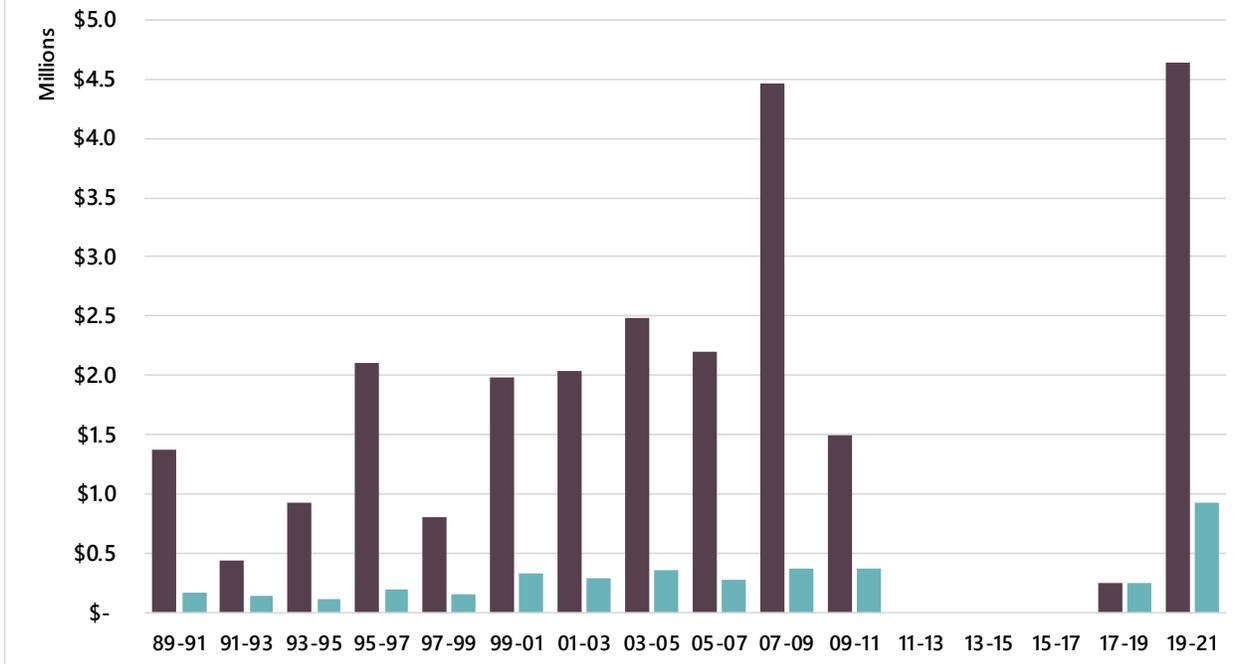
The Army Corps of Engineers, in partnership with the City, engaged in all of the design and other pre-construction activities required to move forward with repairing the levee and ensuring flood protection for the treatment plant. In order to access the Army Corps construction funding, the City needed to supply a twenty percent match.

The Public Works Board was able to finance those matching funds for the unanticipated cost of repair. The result is a direct influx of \$520,000 in federal funds for the project, mitigation of user rate impacts, and the creation of a levee that meets protection standards.

[Click for project fact sheet](#)

# Traditional Programs Emergency Loans

**Figure 6:** What was the **total funding requested** for PWB Traditional Programs Emergency loans per biennium and what was the **average request**?



While thorough planning, effective maintenance, and proactive system upgrades create the best chance for long-term system success, it is reality that technology can fail unexpectedly, natural disasters happen, and the environment evolves. When failure occurs, critical services are interrupted, public health and safety is jeopardized, and environmental damage occurs. Additionally, the fiscal impacts for emergency repair are far reaching, draining jurisdiction reserve accounts and driving up usage fees causing negative budgetary impacts on business and residents.

For jurisdictions experiencing emergency situations, access to flexible, affordable funding in a timely manner is critical. **Figure 6** demonstrates the usage of the PWB traditional programs emergency funding. It is important to note that for the 11-13 biennium through the 15-17 biennium and FY18, the PWB had no funding available for any programs. The following pages provide an overview of the projects funded in FY20 through this program.

# FY20 Traditional Programs Emergency Loans



*Jurisdiction: Valley View Sewer District  
Location: Tukwila  
Project: Emergency Force Main Replacement  
Award: \$638,000  
[Click for project fact sheet](#)*

In August 2019, District workers conducting routine maintenance discovered that the wastewater force main under the Duwamish River had been breached and was discharging untreated wastewater into the river. Flow was stopped and divers were brought on scene to assess the damage. They located two breaches and horizontal fracturing. While the cause of the damage was not able to be determined, it was clear that the original 1980s installation did not provide adequate coverage to protect the main from impacts. With PWB funding, the District is replacing the main via directional drilling that will afford complete impact protection.



*Jurisdiction: City of Aberdeen  
Location: Basich Boulevard  
Project: Emergency Slide Repair  
Award: \$1,000,000  
[Click for project fact sheet](#)*

Basich Boulevard was constructed in 2000 to connect two areas of Aberdeen previously isolated from each other. It is a major collector, the secondary access route for the Grays Harbor Community Hospital, and serves as the tsunami evacuation route for thousands of lowland properties. In the winter of 2019-20, wet weather triggered a slow moving landslide. The roadway was closed in December and by January, approximately 150 feet had been destroyed along with accompanying domestic water, stormwater, and wastewater infrastructure. The City's budget would encounter a major setback to resolve this unplanned repair work without PWB financing.



*Jurisdiction: City of Olympia  
Location: Percival Creek  
Project: Emergency Utility Bridge Repair  
Award: \$1,000,000  
[Click for project fact sheet](#)*

In February of 2020, a windstorm toppled tree impacted the Percival Creek Utility Bridge, resulting in substantial structural damage to the bridge and suspended domestic water and wastewater mains. The damage disrupted service to residential units and commercial accounts and compromised fire flow. It also created an untreated wastewater discharge into Percival Creek that triggered a county health department closure. The City is utilizing PWB funding in combination with FEMA funds to restore services and protect the environment.

# FY20 Traditional Programs Emergency Loans



*Jurisdiction: City of Moxee  
Location: City Well #2  
Project: Emergency Well Replacement  
Award: \$1,000,000  
[Click for project fact sheet](#)*

On October 14, 2019, the city of Moxee's well #2 experienced a complete failure. This high production well supplied domestic water to over 4,000 residents and commercial, industrial, and public school customers. A video inspection of the well, which had been rehabilitated four years prior in relation to a declining aquifer, determined that the bottom 200 feet of the well was filled with gravel filter pack and sand. It was also determined that the pump had completely seized due to pumping sand, gravel, and clay. By financing the replacement of this well, the City is able to retain the funds necessary to continue their system maintenance program without interruption.



*Jurisdiction: Consolidated Irrigation District #14  
Location: Walla Walla  
Project: Emergency Well Replacement  
Award: \$1,000,000  
[Click for project fact sheet](#)*

Consolidated Irrigation District #14 provides irrigation and domestic water resources through the operation of two wells. Well #2 was originally constructed in 1909, and was a dependable source until the last 65-feet of its well casing broke away causing clay intrusion and prohibiting repair. Without a second source of water, District customers are in jeopardy of not having adequate resources for domestic water. Two other factors compounded the District's situation:

1. The site of Well #2 is not large enough to drill a new well, so it must be relocated and new delivery systems installed to reestablish services.
2. Walla Walla County is conducting a chip sealing of area roads in 2020, which will activate a 6-year band on disturbing the road surface, so the main from the new well site to the existing distribution system must be installed before then.

The speed of funding distribution through PWB's emergency program will enable the District to meet this tight timeline and ensure clean domestic water for its customers.

# FY20 Traditional Programs Pre-Construction Loan Awards

## FY20 Pre-Construction Loan Awards

The PWB received nine applications requesting \$3.74 million for Pre-construction loans in the FY20 application cycle, which ran from 6/10/19 to 7/12/19. All applicants passed scoring threshold and, utilizing carry-forward bond money from the 17-19 biennium, the PWB awarded full funding to all nine Pre-construction applications.

Jurisdiction	County	Leg Dist	Primary System	Project Name and Description	Project Cost	Loan Request	Rate	App Score
City of Bridgeport	Douglas	12	Domestic Water	<b>Reservoir 2</b> design and planning	\$181,000	\$181,000	0.79%	82
Mukilteo Water & Wastewater District	Snohomish	21	Sanitary Sewer	Design and engineering for a new <b>Lift Station 5 and Force Main.</b>	\$407,531	\$407,531	0.79%	80
King County Water District 123	King	5	Domestic Water	Design, site acquisition, and permitting necessary to construct a new <b>Water Reservoir.</b>	\$1,476,957	\$200,000	0.79%	78
City of White Salmon	Klickitat	14	Domestic Water	Pre-construction activities for a <b>New Transmission Main.</b>	\$750,000	\$750,000	0.79%	76
Public Utility District 1 of Clallam County	Clallam	24	Domestic Water	Design and engineering for 19 different <b>Clallam Bay/Seki Water Upgrades.</b>	\$607,800	\$607,800	0.63%	76
City of Harrington	Lincoln	13	Domestic Water	Development of a <b>Water System Plan</b> following the DOH Pre-Plan Agreement.	\$88,500	\$34,500	0.40% with 20% forgiveness	73
City of Ridgefield	Clark	18	Stormwater	Pre-construction activities for 7 <b>Downtown Stormwater</b> facility projects.	\$1,750,165	\$359,000	0.79%	71
King County Water District 90	King	5	Domestic Water	<b>Well Relocation and Treatment Plant</b> site identification, water quality assessment, and flow rate.	\$200,000	\$200,000	0.79%	68
King County	King	1	Sanitary Sewer	<b>Brightwater Reclaimed Water Storage</b> program Alternatives Analysis Report for increased system reliability and flexibility.	\$13,715,400	\$1,000,000	0.79%	66
<b>Total</b>					<b>\$19,177,353</b>	<b>\$3,738,831</b>		

# FY20 Traditional Programs Construction Loan Awards

## FY20 Construction Loan Awards

The PWB received 65 applications requesting \$245 million for Construction loans in the FY20 application cycle, which was open from 6/10/19 to 7/12/19. When rated through the competitive process, 57 scored above minimum threshold and were eligible for award. Seeing the obvious need, the PWB elected to utilize all available funding to award as many projects as possible. This resulted in 21 jurisdictions receiving an award (two were partial awards), for a total of \$84.7 million.

Jurisdiction	County	Leg Dist	Primary System	Project Name and Description	Project Cost	Loan Request	Loan Award	Rate	App Score
Mason County (Priority Project)	Mason	35	Sanitary Sewer	<b>Belfair Sewer Extension</b> of wastewater services from the Belfair/Lower Hood Canal WRF to the Bremerton PSIC. Coordinated with the expansion of SR 3.	\$12,600,000	\$8,000,000	\$8,000,000	0.79% with 5% forgiveness	65.67
City of Okanogan	Okanogan	7	Stormwater	<b>Wastewater Treatment Plant Flood Protection</b> repair after 2018 flooding damaged the levee.	\$650,000	\$130,000	\$130,000	1.58%	91.29
Town of Waterville	Douglas	12	Sanitary Sewer	Resolution of infiltration issues that have caused permit violations and a connection moratorium through <b>Sewer Collection System Improvement</b> .	\$1,115,000	\$900,000	\$900,000	1.58%	91.14
City of Stevenson	Skamania	14	Sanitary Sewer	<b>Wastewater Treatment Plant Interim Measures</b>	\$109,103	\$54,680	Request withdrawn	N/A	90.43
City of Richland	Benton	8	Solid Waste/ Recycling	Expanding service for the next 95+ years of capacity and maintaining permit compliance through <b>Horn Rapids Landfill Improvements</b> .	\$4,000,000	\$4,000,000	\$4,000,000	1.58%	88.57
Town of Cathlamet	Wahkiakum	19	Domestic Water	Coordinated with county paving activity, the <b>Columbia St Waterline Improvements</b> decrease water loss, prevent system contamination, and ensure fire flow.	\$1,046,822	\$991,822	\$991,822	1.58%	86.86
City of Spokane	Spokane	6	Domestic Water	Construction of a <b>SIA Additional Reservoir</b> to maintain emergency water service to Airway Heights and ensure adequate fire flow.	\$11,000,000	\$8,000,000	\$8,000,000	1.58%	86.14

# FY20 Traditional Programs Construction Loan Awards

Jurisdiction	County	Leg Dist	Primary System	Project Name and Description	Project Cost	Loan Request	Loan Award	Rate	App Score
City of Camas	Clark	3	Road/Street or Bridge	<b>SR 500 &amp; Lake Rd Intersection</b> roundabout construction to resolve traffic flow, enable the development of commercial/industrial and residential land, and mitigate stormwater contamination of Lake Lacamas.	\$8,219,798	\$7,000,000	\$7,000,000	1.58%	85.43
LOTT Clean Water Alliance	Thurston	22	Sanitary Sewer	Implement <b>Biological Process Improvements</b> to ensure safe wastewater discharge into Budd Inlet and consolidating processes to free space for expansion within current footprint.	\$26,129,055	\$10,000,000	\$10,000,000	1.58%	84.43
City of Long Beach	Pacific	19	Domestic Water	<b>Washington Ave S Water and Street Improvements</b> to replace a failing water main, ensure fire flow, allow for continued development, and create an alternative route through the downtown core.	\$1,358,088	\$1,238,088	\$1,238,088	1.58%	83.86
Lake Meridian Water District	King	33	Domestic Water	<b>Well 6 Replacement</b> due to a collapsing aquifer.	\$1,659,000	\$1,659,000	\$1,659,000	1.58%	83.71
City of Connell	Franklin	9	Sanitary Sewer	<b>Country Estates</b> wastewater system upgrades to meet current and future demand.	\$1,470,000	\$1,200,000	\$1,200,000	1.58%	83.00
Seattle Public Utilities	King	11	Sanitary Sewer	<b>Pearl Street Drainage and Wastewater</b> improvements to resolve stormwater and wastewater flooding issues that risk public and environmental health.	\$20,105,056	\$10,000,000	\$10,000,000	1.58%	81.86
Pend Oreille County Public Utility District 1	Pend Oreille	7	Domestic Water	Replacement of <b>Sunvale Acres Distribution Lines</b> to protect from contaminants, increase fire flow, and reduce O&M costs.	\$611,200	\$581,200	\$581,200	1.27%	81.71

# FY20 Traditional Programs Construction Loan Awards

Jurisdiction	County	Leg Dist	Primary System	Project Name and Description	Project Cost	Loan Request	Loan Award	Rate	App Score
City of Westport	Grays Harbor	19	Sanitary Sewer	<b>Pump Stations 8 &amp; 9 Upgrades</b> to address failing mechanical and electrical systems.	\$1,460,000	\$1,460,000	\$1,460,000	1.27%	81.67
King County	King	11	Sanitary Sewer	Construction of the <b>Georgetown Wet Weather Treatment Station</b> to resolve the public and environmental health threat of combined sewer overflows.	\$242,006,605	\$10,000,000	\$5,000,000	1.58%	81.00
Basin City Water District	Franklin	9	Domestic Water	<b>Water Meter</b> installation for permit compliance, water conservation, and cost savings.	\$495,000	\$495,000	\$495,000	1.58%	79.86
City of Yakima	Yakima	14	Domestic Water	<b>Waterline Improvement</b> by replacing deteriorating water lines and lead joints, increasing fire flow, and improving water quality.	\$1,921,500	\$1,740,000	\$1,740,000	1.58%	79.83
King County Water District 49	King	34	Domestic Water	Construction of the <b>575 Zone Reservoir &amp; Booster Pump Station</b> to ensure adequate domestic water access and storage.	\$15,400,000	\$8,000,000	\$8,000,000	1.58%	79.67
Discovery Clean Water Alliance	Clark	18	Sanitary Sewer	<b>Salmon Creek Treatment Plant Odor Control &amp; Facility</b> upgrades to increase reliability, and to meet air quality regulations and increased urban development demands.	\$11,420,000	\$9,040,000	\$9,040,000	1.58%	79.33
Mukilteo Water & Wastewater District	Snohomish	21	Sanitary Sewer	<b>Lift Station 5 &amp; Force Main</b> replaces beyond useful life systems to ensure environmental health and reduce O&M costs.	\$2,037,658	\$2,037,658	\$2,037,658	1.58%	78.86
Public Utility District 1 of Skagit County	Skagit	10	Domestic Water	<b>Judy Water Treatment Plant to Mt Vernon Transmission Pipeline</b> replacement to decrease water loss and risk of contamination, maintain affordability, and meet existing and expanding demand.	\$29,000,000	\$10,000,000	\$3,194,164	1.58%	78.71
<b>Total</b>					<b>\$393,813,885</b>	<b>\$96,527,448</b>	<b>\$84,666,932</b>		

# FY20 Traditional Programs Construction Loan Qualified Applications, No Funding Available

Jurisdiction	County	Leg Dist	Primary System	Project Name and Description	Reason	Project Cost	Loan Request	App Score
City of Anacortes	Skagit	40	Sanitary Sewer	<b>SSO Reduction</b> resolves system capacity to eliminate wastewater discharge onto streets and into the bay.	Insufficient fund availability	\$4,653,000	\$1,000,000	78.14
Skagit County	Skagit	40	Road/Street or Bridge	<b>Guemes Island Ferry</b> replaces a failing ferry with a 100% electric ferry.	Insufficient fund availability	\$25,238,744	\$10,000,000	77.86
Skyway Water & Sewer District	King	37	Domestic Water	<b>Small Diameter Water Main Replacement</b> of 70-year old mains to reduce breaks and risk of contaminants.	Insufficient fund availability	\$2,856,000	\$2,856,000	77.43
Northshore Utility District	King	46	Domestic Water	Replace 50-year old <b>Water Main Bridge Crossing</b> to ensure adequate capacity, accommodate growth, and provide adequate fire flow.	Insufficient fund availability	\$2,500,000	\$2,500,000	76.29
Valley Water District	Pierce	25	Domestic Water	<b>Valley Tank &amp; Booster Pump Station</b> replaces a poor condition, under capacity storage tank and reduces customer costs.	Insufficient fund availability	\$4,961,444	\$2,000,000	76.14
City of Stevenson	Skamania	14	Domestic Water	<b>Replace School Street Waterline</b> to meet permit requirements and road paving schedule.	Insufficient fund availability	\$374,000	\$374,000	76.00
Okanogan County	Okanogan	12	Sanitary Sewer	<b>Edelweiss Sewer Line Repair</b> to resolve freezing and wastewater backup issues.	Insufficient fund availability	\$152,000	\$152,000	75.71
Skyway Water & Sewer District	King	37	Domestic Water	<b>South Sunnycrest Road Water Main Replacement</b> to meet standards and decrease breakage.	Insufficient fund availability	\$1,579,000	\$1,579,000	75.43
City of Pasco	Franklin	9	Sanitary Sewer	Expanding capacity for an additional food processing plant by conducting <b>Process Water Reuse Facility Improvements</b> that replace aging parts.	Insufficient fund availability	\$24,000,000	\$10,000,000	75.00
City of East Wenatchee	Douglas	12	Road/Street or Bridge	<b>10th St NE Improvements</b> for pedestrian safety and stormwater management.	Insufficient fund availability	\$4,935,000	\$4,455,000	74.86
King County Water District 20	King	34	Domestic Water	<b>Capital Improvement</b> to replace a frequently failing water main in conjunction with a road project.	Insufficient fund availability	\$11,346,344	\$10,000,000	74.83
Silver Lake Water & Sewer District	Snohomish	44	Domestic Water	Replacement of the 50-year old <b>Silver Crest Drive Water Main</b> to reduce leakage and O&M costs.	Insufficient fund availability	\$1,452,990	\$1,452,990	74.43

# FY20 Traditional Programs Construction Loan Qualified Applications, No Funding Available

Jurisdiction	County	Leg Dist	Primary System	Project Name and Description	Reason	Project Cost	Loan Request	App Score
Northeast Sammamish Sewer & Water District	King	45	Sanitary Sewer	<b>Lift Station 3 Basin Pipe Rehabilitation</b> to address lost capacity, root intrusion, structural degradation, and infiltration.	Insufficient fund availability	\$1,031,000	\$881,000	73.43
City of Orting	Pierce	2	Sanitary Sewer	<b>Upgrade Wastewater Treatment Plant</b> to meet permit requirements and replace failed/failing components.	Insufficient fund availability	\$9,020,000	\$5,000,000	73.00
Skyway Water & Sewer District	King	37	Sanitary Sewer	<b>Skyway Park North Phase 1 Sewer Replacement</b> to increase performance, reduce breaks, and limit property damage.	Insufficient fund availability	\$7,777,000	\$7,384,000	72.57
City of Castle Rock	Cowlitz	20	Domestic Water	<b>Powell Road Water Main Modifications</b> to resolve water leaks onto I-5.	Insufficient fund availability	\$250,000	\$250,000	72.14
Mukilteo Water & Wastewater District	Snohomish	21	Sanitary Sewer	<b>Lift Station 9 Improvements</b> to avoid system failure and environmental damage.	Insufficient fund availability	\$2,430,710	\$2,430,710	72.00
City of Selah	Yakima	15	Sanitary Sewer	<b>Improve Sewer Collection System</b> to resolve surcharge issues, reduce O&M costs, and facilitate housing development.	Insufficient fund availability	\$2,304,000	\$1,650,000	71.43
City of Stevenson	Skamania	14	Domestic Water	<b>Water Meter Replacement</b> to address water loss, breakage, and fire flow.	Insufficient fund availability	\$644,110	\$329,477	71.29
City of Waitsburg	Walla Walla	16	Domestic Water	<b>Taggart Road Waterline</b> modifications to create a looped system for pressure stabilization and fire flow.	Insufficient fund availability	\$1,025,000	\$525,000	71.14
City of White Salmon	Klickitat	14	Domestic Water	<b>New Transmission Main</b> replacing the worn out 62-year old main to reduce water loss and contaminant potential.	Insufficient fund availability	\$7,250,000	\$7,250,000	71.00
Lake Forest Park Water District	King	46	Domestic Water	<b>Ballinger Way (SR 104) Water Main</b> replacement to resolve fire flow and breakage which has eroded the roadbed.	Insufficient fund availability	\$481,663	\$481,663	70.86
King County Water District 54	King	33	Domestic Water	<b>8th Avenue S Water Main Replacement</b> to increase fire flow and eliminate flooding from breakage.	Insufficient fund availability	\$1,020,000	\$920,000	70.67
Kitsap County	Kitsap	23	Sanitary Sewer	<b>Improve Bay Shore and Washington Ave</b> by repair/replacement of stormwater and wastewater systems, increased pedestrian access, and road modification.	Insufficient fund availability	\$9,977,500	\$8,613,500	69.67

# FY20 Traditional Programs Construction Loan Qualified Applications, No Funding Available

Jurisdiction	County	Leg Dist	Primary System	Project Name and Description	Reason	Project Cost	Loan Request	App Score
Town of Lind	Adams	9	Domestic Water	<b>Well 6 Upgrades</b> to resolve pump cycling issues and decrease risk of contamination.	Insufficient fund availability	\$40,000	\$40,000	69.43
City of Quincy	Grant	13	Sanitary Sewer	<b>Phase 2 Wastewater and Recycled Water</b> continues developing reuse capacity for industrial wastewater.	Insufficient fund availability	\$17,957,000	\$10,000,000	69.43
King County Water District 90	King	5/11	Domestic Water	<b>Renton Suburban Tracts Divisions 6 &amp; 8</b> replacement of 60-year old undersized and leaking water mains.	Insufficient fund availability	\$4,375,000	\$3,281,250	69.00
Silver Lake Water & Sewer District	Snohomish	44	Domestic Water	<b>Silver Acres 2019 Water Improvements</b> to include main replacement and an intertie for system stability.	Insufficient fund availability	\$1,193,089	\$1,193,089	68.71
Skyway Water & Sewer District	King	37	Sanitary Sewer	<b>Sunset Station Sewer Force Main Replacement</b> to increase reliability and performance.	Insufficient fund availability	\$465,000	\$435,000	68.57
Alderwood Water & Wastewater District	Snohomish	1	Domestic Water	<b>W1102 E Pressure Reduction Phase 2</b> to meet system pressure standards and decrease the likelihood of main breaks.	Insufficient fund availability	\$5,113,000	\$3,773,000	67.71
Kitsap County	Kitsap	23	Solid Waste/ Recycling	<b>Silverdale Recycling and Garbage Facility</b> improvements to meet current and future needs safely.	Insufficient fund availability	\$5,163,525	\$5,000,000	66.00
City of Spokane	Spokane	6	Domestic Water	<b>9th &amp; Pine Booster Station Rehabilitation</b> creates system redundancy to ensure continued water access.	Insufficient fund availability	\$3,770,000	\$2,000,000	65.86
Skyway Water & Sewer District	King	37	Domestic Water	<b>Forest Ave S &amp; Garden Pl S Water Main</b> replacement to address breaks and reduce contaminant risk.	Insufficient fund availability	\$1,566,000	\$1,556,000	65.43
Lake Meridian Water District	King	33	Domestic Water	Construction of a <b>1.9 MG Reservoir for Fire Flow</b> and system pressure stabilization.	Insufficient fund availability	\$4,910,000	\$4,910,000	65.43
Highline Water District	King	11	Domestic Water	Construction of <b>Pump Station 8</b> creates redundancy and increases capacity for development.	Insufficient fund availability	\$5,180,000	\$3,860,000	65.33
<b>Qualified Applications, No Funding Available Total</b>						<b>\$176,992,119</b>	<b>\$118,142,679</b>	

## FY20 Traditional Programs Construction Loan Applications That Did Not Pass Scoring Threshold

Jurisdiction	County	Leg Dist	Primary System	Project Name and Description	Reason	Project Cost	Loan Request	App Score
Skyway Water & Sewer District	King	37	Sanitary Sewer	<b>Skyway Park North Phase 2 Sewer Replacement</b> of deteriorating wastewater pipelines and relocates manholes.	Did not meet scoring threshold	\$9,211,000	\$9,211,000	64.00
Lake Whatcom Water & Sewer District	Whatcom	42	Domestic Water	<b>Division 7 Water Reservoir Seismic Upgrade</b> eliminates a structurally deficient reservoir and provides automatic shutdown facilities.	Did not meet scoring threshold	\$2,080,000	\$564,567	64.00
Skyway Water & Sewer District	King	37	Sanitary Sewer	<b>Basin 7 N Sewer System Replacement</b> of a 65-year old main to increase system performance.	Did not meet scoring threshold	\$12,986,000	\$10,000,000	63.00
City of Ferndale	Whatcom	42	Sanitary Sewer	<b>Wastewater Treatment Plant Upgrades</b> to address aging equipment, expand capacity, and meet permit requirements.	Did not meet scoring threshold	\$28,371,784	\$9,000,000	61.29
Town of Spangle	Spokane	9	Road/Street or Bridge	<b>Spangle Street Paving</b> to improve mobility and become eligible for TIB funding.	Did not meet scoring threshold	\$50,000	\$50,000	55.57
Town of Lind	Adams	9	Road/Street or Bridge	<b>Street Surfacing</b> to improve mobility and become eligible for TIB funding.	Did not meet scoring threshold	\$85,000	\$85,000	55.57
City of Stanwood	Snohomish	10	Sanitary Sewer	<b>Church Creek Sewer Collection System</b> improvement through the removal of lift stations.	Did not meet scoring threshold	\$951,000	\$800,000	54.71
Skyway Water & Sewer District	King	37	Domestic Water	<b>Skyway Water Tank 2 Exterior Coating Replacement</b> to repair peeling.	Did not meet scoring threshold	\$620,000	\$620,000	48.00
<b>Under Scoring Threshold, Not Funded Total</b>						<b>\$54,354,784</b>	<b>\$30,330,567</b>	

# FY20 Traditional Programs Emergency Construction Loan Awards

Jurisdiction	County	Leg Dist	Primary System	Project Name and Description	Project Cost	Loan Request	Loan Award	Rate
Consolidated Irrigation District 14	Walla Walla	16	Domestic Water	<b>New Well and Water Main Improvements</b> to replace a source well that unexpectedly failed. Replacement timing is crucial as the county will be chip sealing the area and construction that disturbs the roadway will be prohibited for 6-years.	\$1,400,000	\$1,000,000	\$1,000,000	1.58%
Valley View Sewer District	King	11	Sanitary Sewer	<b>Boeing Pump Station Force Main Duwamish River Crossing</b> replacement due to scouring and impact causing a 9 1/2" breach, a 5" breach, and 4' of horizontal fracturing, resulting in the discharge of untreated wastewater into the Duwamish River.	\$638,000	\$638,000	\$638,000	1.58%
City of Moxee	Yakima	15	Domestic Water	<b>New Well</b> to replace a source well that experienced complete failure and jeopardizes the City's capacity to provide domestic water.	\$1,226,200	\$1,000,000*	\$1,000,000	1.58%
City of Olympia	Thurston	22	Sanitary Sewer	<b>Percival Creek Utility and Pedestrian Bridge Repair</b> from storm damage that collapsed part of the bridge and broke the suspended water and wastewater mains resulting in discharge into Percival Creek.	\$1,000,000	\$1,000,000	\$1,000,000	1.58%
City of Aberdeen	Grays Harbor	19	Road/ Street	<b>Basich Boulevard Slide Repair</b> from a slow moving landslide. This project reestablishes the tsunami evacuation route and provides access to the Grays Harbor Community Hospital.	\$1,000,000	\$1,000,000	\$1,000,000	0.79% and 20% forgiveness
<b>Total</b>					<b>\$5,264,200</b>	<b>\$4,638,000</b>	<b>\$4,638,000</b>	

\*The city of Moxee initially requested and was awarded \$721,200 for this project. When construction bids came in higher than the estimated cost, the City requested and was awarded additional funding which brought their total award to \$1,000,000.

# Public Works Board Broadband Program Overview

## Broadband Loan & Grant Programs

In 2019, [RCW 43.155.160](#) 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. Under this statute, awards are for the acquisition, installation, and construction of middle mile and last mile broadband infrastructure. Funds can also be used for strategic planning for the deployment of broadband service. Eligible applicants include:

- Local governments
- Tribes
- Nonprofit organizations
- Cooperative associations
- Special purpose districts
- Quasi-municipal corporations
- Limited liability corporations organized for the purpose of expanding broadband access
- Incorporated businesses or partnerships

The PWB may fund up to 50% of the total project cost in non-distressed and non-Indian country areas. In distressed or Indian-country areas, the PWB may fund up to 90% of the total project cost.

All assets or infrastructure created utilizing PWB funding must be maintained for public use for a period of at least 15 years.

## Planning-Feasibility Study

Broadband Planning-Feasibility Study grants provide funding for strategic planning activities that facilitate the deployment of broadband service in unserved areas across the state. Applicants are awarded through a competitive process and can receive up to \$50,000 for their project.

There was one Planning-Feasibility Study application cycle, which completed in November 2019. In this cycle, 16 applications were received and nine scored above threshold, and received funding.

## Construction

The PWB Broadband Construction program is currently under development. The program expects to open for applications in July, and held an application workshop for 61 prospective applicants on June 18, 2020. A video of this training and the presentation are available on our website.

## Rulemaking

The Public Works Board dedicated itself to building an effective, robust, and conscientious program for the benefit of every state resident. While dedicated program staff were not hired until October of 2019, the formal process of rulemaking began in July with the CR-101 filing.

Focused outreach efforts began in September with PWB involvement at the Washington Rural Broadband Workshops in Olympia and Davenport. These efforts have continued with three statewide stakeholder events in December and, starting in October after the hiring of dedicated Broadband Program staff, Broadband Action Team attendance, conference presentations, and local speaking engagements.

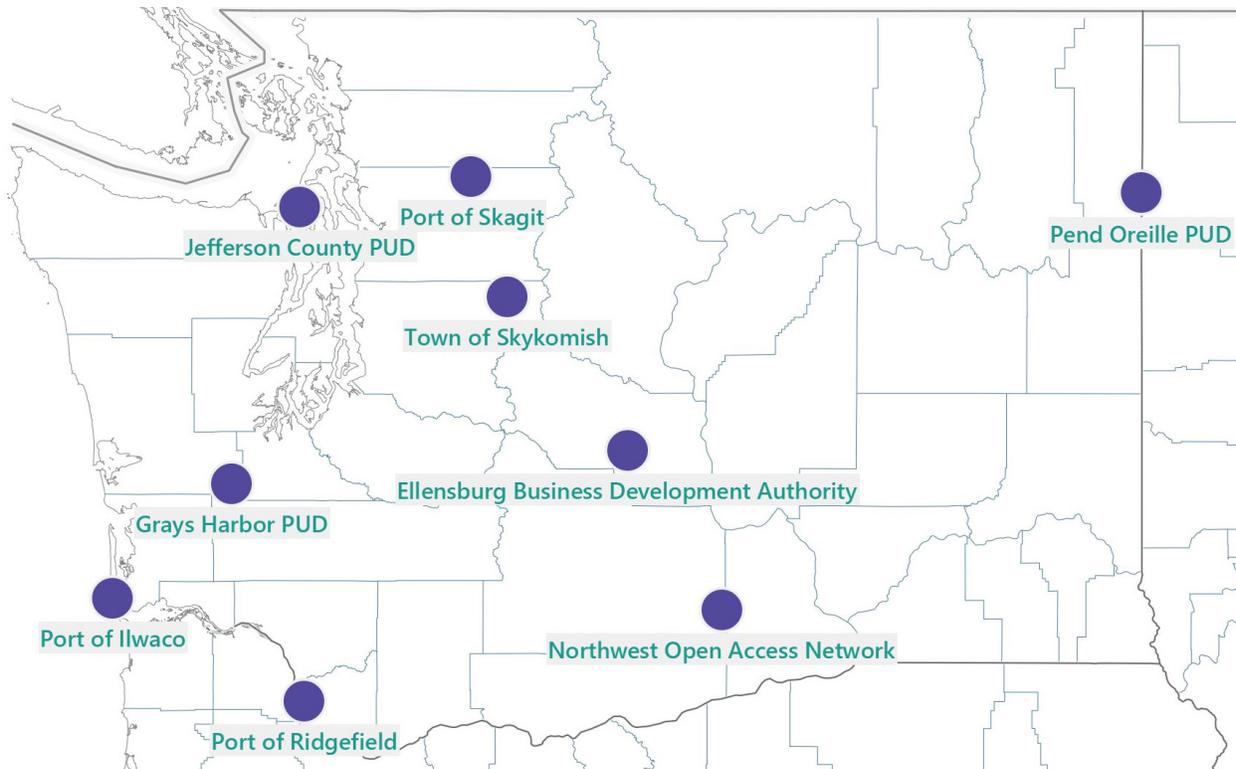
In March of 2020, the Public Hearing was held to finalize draft rules for the program, and rulemaking was completed on May 22, 2020.

## Policy & Stakeholder Round Tables

While the PWB continues to engage local communities to provide technical assistance and local capacity building, they have also continued to look at broadband solutions on a statewide scale by convening a series of state agency policy maker and stakeholder/partner round table meetings. The intent is to ensure that program development continues to meet community needs while aligning state process and priorities for broadband coverage statewide. The first state agency policy maker meeting was held on June 16, 2020 and had 32 representatives in attendance. The first stakeholder/partner meeting was held on June 17, 2020 and had 63 attendees. These meetings are anticipated to continue monthly.

# Broadband Planning-Feasibility Study Grants

**Figure 7:** What was the FY20 geographic distribution of Broadband Program Planning-Feasibility Study Grant awards?



When it comes to broadband service in Washington, establishing equitable access requires dedicated planning that accounts for local geography and topography, weather conditions, and distance between connection sites—there is no singular answer, no simple solution. Installation and maintenance costs and affordability versus financial return on investment further complicate efforts to connect the state.

With these factors in mind, the Public Works Board Broadband Program opened an application cycle in October of 2019 for communities to request planning-feasibility study grants up to \$50,000. Through this program, local communities and technical experts are able to right size projects that utilize the correct technology for the region, and prepare the deployment of sustainable broadband services at affordable rates.

When the application cycle closed in November, 16 applications had been received. These were rated and ranked consistent with the [published scoring criteria](#) and as outlined in [RCW 43.155.160](#). The nine applicants who passed the minimum scoring requirement of 65 were recommended for and received full award of funds.

# Broadband Planning-Feasibility Study Grant Awards

## FY20 Broadband Planning-Feasibility Study Grant Awards

The PWB received 16 applications requesting \$775,000 for Planning-Feasibility Study Grants in the FY20 application cycle, which was open from 10/10/19 to 11/14/19. When rated through the competitive process, 9 scored above minimum threshold and were award full funding.

Jurisdiction	County	Leg Dist	Project Name	Grant Request	Grant Amount	App Score
Jefferson County PUD	Jefferson	24	Phase II Business Plan Development	\$50,000	\$50,000	97
Port of Ilwaco	Pacific	19	Pacific County Broadband Feasibility Planning	\$50,000	\$50,000	85
Town of Skykomish	King	39	Broadband Feasibility Planning Study	\$50,000	\$50,000	84
Grays Harbor PUD	Grays Harbor	19	Cedarville / Oakville	\$50,000	\$50,000	80
Pend Oreille County PUD	Pend Oreille	7	North Pend Oreille County Feasibility Study	\$50,000	\$50,000	79
Port of Ridgefield	Clark	18	Port of Ridgefield	\$50,000	\$50,000	77
Ellensburg Business Development Authority	Kittitas	13	Centerfuse Broadband Expansion	\$50,000	\$50,000	75
Northwest Open Access Network	Yakima	15	Grandview Broadband Feasibility Study	\$50,000	\$50,000	74
Port of Skagit	Skagit	39	Sauk-Suiattle Tribe Dark Fiber Optic Needs Assessment and Feasibility	\$50,000	\$50,000	73
City of College Place	Walla Walla	16	Broadband Planning Study	\$50,000	Failed to meet scoring threshold	62
City of Arlington	Snohomish	39	Fiber Optic Development Feasibility Study	\$50,000	Failed to meet scoring threshold	62
City of Cheney	Spokane	6	Broadband and Internet Access	\$35,000	Failed to meet scoring threshold	61
Shoalwater Bay Tribe	Pacific	19	Broadband	\$50,000	Failed to meet scoring threshold	53
Altaeros, Inc.	Adams	9	Altaeros Super Tower	\$50,000	Failed to meet scoring threshold	47
King County	King	Multi	Eastrail Middle-Mile Broadband Market Analysis	\$40,000	Failed to meet scoring threshold	44
Stevens County	Stevens	7	Broadband Feasibility Study	\$50,000	Not GMA compliant	0
<b>Total</b>				<b>\$775,000</b>	<b>\$450,000</b>	

