

**MUKILTEO WATER AND WASTEWATER DISTRICT
BOARD OF COMMISSIONERS
SPECIAL MEETING**

Minutes of July 7, 2014

The Special Meeting of the Board of Commissioners of July 7, 2014, was called to order at the District office by Commissioner Johnson at 2:00 p.m. The purpose of the special meeting was to discuss any other District business that may come before the Board.

**ROLL CALL/
IN ATTENDANCE** Commissioners:
Mike Johnson, Thomas McGrath, Thomas Rainville

Engineering:
Eric Delfel (Gray & Osborne)

Staff:
Gil Bridges, Wastewater Treatment Facility Manager; Rick Matthews, Project Manager; Sue Parks, Finance Manager; Jim Voetberg, General Manager; Lisa Wolfson, Management/Project Assistant

**APPROVAL OF
AGENDA** Commissioner Rainville made a motion to approve the agenda as presented. Commissioner McGrath seconded the motion. The motion passed unanimously.

**VISITORS AND
COMMENTS
FROM THE
AUDIENCE** None.

MINUTES Commissioner Rainville made a motion to approve the minutes of the special meeting of the Board of Commissioners of June 18, 2014. Commissioner McGrath seconded the motion. The motion passed by a vote of 2-0, with President Johnson abstaining due to his absence from that meeting.

**CONSENT
AGENDA** Commissioner McGrath made a motion to approve the Consent Agenda. Commissioner Rainville seconded the motion. The motion passed unanimously.

Vouchers Approved Vouchers in the amount of \$178,521.09.

<u>Fund</u>	<u>SubFund No.</u>	<u>Voucher No.</u>	<u>Amount</u>
Water Maintenance	740	2970-3006	\$40,766.60
Wastewater Maintenance	840	2970-3006	\$44,578.91
East Wastewater Maintenance	941	2970-3006	\$79,509.30
Water Capital Improvement	745	2959-2962	\$4,670.84
Wastewater Capital Improvement	846	2963-2966	\$8,522.08
East Wastewater Capital Improvement	952	2969	\$473.36

Payroll Approved Payroll in the amount of \$134,864.49.

BUSINESS ITEMS

Employee Policy Handbook Changes

Finance Manager Parks gave a report on the item. She pointed out that due to reduced staffing since the resignation of the Operations Supervisor, staff has reevaluated the 4x10 schedule for weeks with holidays. As a result, employees with 4x10 work schedules will revert to a 5x8 schedule during all weeks with holidays. District's legal counsel has reviewed the proposed changes and is fine with them, including requiring those on a 4x10 or 9/80 schedule "pay" for the extra hours with vacation time since the District pays eight hours for holidays.

Resolution No. 3169-14

General discussion ensued regarding the resolution.

Commissioner Rainville made a motion to adopt Resolution No. 319-14, adopting Amendment No. 1 to the Employee Policy Handbook. Commissioner McGrath seconded the motion. The motion passed unanimously.

Bid Award: Trailer-Mounted 150 kW Generator

Project Manager Matthews gave a report on the item. He reported that after researching the purchase of a generator through MRSC's small works roster and HGAC's cooperative purchasing agreement, it was decided to formally bid the project through the District's formal bid process. The lowest responsible bidder was EC Power Systems of Washington, in the amount of \$57,087.83.

Resolution No. 322-14

Commissioner McGrath made a motion to adopt Resolution No. 322-14, awarding the trailer-mounted 150 kW generator bid to EC Power Systems of Washington in an amount not to exceed \$57,087.83 including state sales tax, and authorizing the General Manager to execute the equipment purchase contract on behalf of the District. Commissioner Rainville seconded the motion. The motion passed unanimously.

Staff Reorganization/ Revised Job Changes

General Manager Voetberg gave a report on the item. He reported that duties previously performed by the vacant Operations Supervisor position has been split between Project Manager Matthews and Utility Services Lead Munson. The success of this splitting of work duties lends to a recommendation to modify the Project Manager and Utility Services Lead job descriptions and pay classification accordingly.

Resolution No. 321-14

Commissioner McGrath suggested Page 2 of the Operations Field Supervisor be modified to reflect the incumbent would work with the Wastewater Treatment Facility Manager, in addition to the Operations/Engineering Manager and Finance Manager, to prepare the Equipment Replacement assumptions.

Commissioner McGrath made a motion to approve the job descriptions of the Operations/Engineering Manager and the Operations Field Supervisor

with the following revision: “Works with the Operations/Engineering Manager, Wastewater Treatment Facility Manager, and Finance Manager to prepare the Equipment Replacement assumptions with recommendations to the General Manager”; and adopt Resolution No. 321-14, adjusting the Salary Grade and Step of Rick Matthews who is assigned the Operations/Engineering Manager position and Brian Munson who is assigned the Operations Field Supervisor position. Commissioner Rainville seconded the motion. The motion passed unanimously.

Other

None.

**ADDITIONAL
REPORTS**

Management

General Manager's Report

Airport Effluent Meter – General Manager Voetberg noted ongoing discussions with the Airport regarding the Airport effluent meter. Commissioner Johnson asked about replacing the Airport effluent meter. Operations/Engineering Manager Matthews noted the meter itself is scheduled to be replaced but not relocated due to costs.

WWTF Access Road Contaminated Soil Removal – General Manager Voetberg reported the scope of work and cost for Terracon to investigate, assess, and develop a DOE-approved voluntary cleanup plan of contaminated soil within the Wastewater Treatment Facility access road, and the work would be managed under Gray & Osborne's contract.

Engineer Delfel reported the agreement for services with Terracon will be executed soon so the work can proceed, and G&O will prepare a budget amendment to their scope of work to reflect Terracon's work.

Foreclosure Accounts – General Manager Voetberg noted the District was proceeding through the foreclosure process on 30 Eastside accounts, and there was a possibility the District's attorney may have a conflict of interest on some accounts. Finance Manager Parks responded to questions from Commissioner McGrath regarding foreclosure processes, stating the process is triggered by nonpayment regardless of the dollar amount. She reminded the Board that administrative and legal fees incurred by the District are added to each account's delinquent balance.

General Manager Out of Office and Conflict with the Meeting of July 16 – There was consensus of the Board to conduct the next Board meeting as a special meeting at 4:00 p.m. on July 16.

The Board received the 2013 Raftelis Washington/Oregon Water & Wastewater Rate Survey; Customer Notice Tracking Report; Water and Sewer Service Connection Reports; and Past Due List.

Department Head Updates

Wastewater Treatment Facility Manager Bridges reported staff is awaiting paperwork from the contractor to begin work on the WWTF structural steel painting project. He voiced his appreciation of Gray & Osborne's work in getting treatment facility improvement projects on the State Revolving Fund (SRF) loan eligibility list.

Operations/Engineering Manager Matthews reported he and Engineer Delfel are working on 90% plans for the Port of Everett ferry terminal Developer Extension project. He thanked the Board for approving his revised job description.

Finance Manager Parks reported a new Accounting Assistant has been hired. She also reported that she is completing closeout Public Works Trust Fund loan paperwork for the Outfall project. The District spent only \$691,000 of the \$888,000 approved and, therefore, the loan repayment amounts will be less.

Legal

None.

Engineering

Engineer Delfel reported the Wastewater Treatment Facility access road dewatering project will be closed out once final paperwork on the wells is completed.

Commissioners

Commissioner Rainville spoke about the Sno-King Water District Coalition meeting held earlier in the day. He commented their lobbyist has been very active in advocating for the Coalition and addressing issues regarding the Public Works Trust Fund funding and fish consumption.

CONCLUDE

There being no further business, the President of the Board concluded the meeting at 2:50 p.m.

President/Commissioner Johnson

Secretary/Commissioner Rainville

Vice President/Commissioner McGrath

BUSINESS OF THE MUKILTEO WATER AND WASTEWATER DISTRICT
BOARD OF COMMISSIONERS

SUBJECT: Declare Vehicle as Surplus and Offer Vehicle for Auction
MEETING DATE: July 16, 2014
FROM: Rick Matthews, Operations/Engineering Manager *RM*
APPROVAL: Jim Voetberg, General Manager *JV*

CURRENT YEAR			MULTI-YR. PROJ.	Expenditure Requested
Amount Budgeted	Amount Committed	Amount Available	Spent to Date	

EXHIBITS ATTACHED:

- Resolution No. 323-14

SUMMARY STATEMENT/ISSUES:

At the November 20, 2013 meeting of the Board of Commissioners, the Board approved the 2014 Capital Budget that included the purchase of two vehicles (Project #64-14), replacing a 2004 Ford F-150 and a 2001 Chevy Blazer. At the meeting of March 19, 2014, the Board declared the 2004 Ford F-150 as surplus. Staff at that time opted to retain the 2001 Chevy Blazer to use for GIS-related tasks.

Staff no longer is in need of the 2001 Chevy Blazer sport utility vehicle (VIN 1GNNDT13W61-K201249) and now desires to declare the vehicle as surplus.

By declaring the vehicle as surplus and consigning the vehicle to auctioneer James G. Murphy Company, the District benefits by:

- disposing of the vehicle expending a minimal amount of District staff's time
- making the vehicle available to the general public
- fulfilling RCW 57.08.015 requiring notice of intent to sell unnecessary property

James G. Murphy Company would secure a nominal commission for their services.

RECOMMENDATION/SUGGESTED MOTION:

Adopt Resolution No. 323-14, declaring a 2001 Chevy Blazer sport utility vehicle (VIN 1GNNDT13W61K201249) as surplus and authorizing the General Manager to offer the vehicle for sale at the next auction held by James G. Murphy Company.

**MUKILTEO WATER AND WASTEWATER DISTRICT
SNOHOMISH COUNTY, WASHINGTON**

RESOLUTION NO. 323-14

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE MUKILTEO WATER AND WASTEWATER DISTRICT, SNOHOMISH COUNTY, WASHINGTON, DECLARING CERTAIN PROPERTY TO BE SURPLUS PROPERTY OF THE DISTRICT; AND AUTHORIZING THE GENERAL MANAGER TO DISPOSE THEREOF

WHEREAS, the District currently owns a 2001 Chevy Blazer sport utility vehicle (VIN 1GNDDT13W61K201249) that is no longer needed and has been replaced; and

WHEREAS, by declaring the vehicle as surplus and consigning the vehicle to auctioneer James G. Murphy Company, the District benefits by disposing of the vehicle expending a minimal amount of District staff's time, making the vehicle available to the general public, and fulfilling RCW 57.08.015 requiring notice of intent to sell unnecessary property; now, therefore

BE IT RESOLVED by the Board of Commissioners of the Mukilteo Water and Wastewater District, Snohomish County, Washington as follows:

1. The recitals set forth above are incorporated herein by this reference.
2. The 2001 Chevy Blazer sport utility vehicle (VIN 1GNDDT13W61K201249) is not and will not be needed for District purposes and is hereby declared to be surplus property of the District.
3. The General Manager is hereby authorized to dispose of the 2001 Chevy Blazer sport utility vehicle (VIN 1GNDDT13W61K201249) and to offer the vehicle for sale at the next auction held by James G. Murphy Company.

ADOPTED by the Board of Commissioners of the Mukilteo Water and Wastewater District, Snohomish County, Washington, at its meeting held on the 16th day of July 2014.

President/Commissioner Johnson

Secretary/Commissioner Rainville

Vice President/Commissioner McGrath



Mukilteo Water and Wastewater District
7824 Mukilteo Speedway
P O Box 260
Mukilteo, WA 98275-0260
Phone 425 355-3355 Fax 425-348-0645

MEMORANDUM

To: Board of Commissioners
From: Jim Voetberg, General Manager *JW*
Date: July 9, 2014
Subject: Manager's report for the meeting of July 16, 2014

WASWD Proposed 2015 Budget: Attached for Board review is WASWD's proposed 2015 budget. Please let me know if you have any comments and I will forward them to Section III or the WASWD Board.

Department of Ecology – State FY2015 Final Water Quality Funding Offer List and Intended Use Plan: As shown in the attached DOE State Fiscal Year 2015 Final Water Quality Funding Offer List and Intended Use Plan, the District's treatment plant design project ranked high enough to be eligible for funding offer. As the Board may recall, this loan request of \$825,000 is for the design of improvements to the wastewater treatment facility. Seventy projects made the list and our project ranked 31st (see Table 13 on page 18). The official offer and terms of the agreement will be forwarded to the Board for consideration once it arrives.

Fish Consumption – Water Quality Standards: Attached is a policy brief from Governor Inslee regarding fish consumption and water quality. Details of the new standard and its impacts on the District won't be known until the draft rule is released in September.

Project Update: Attached is a quick monthly update of ongoing projects. The purpose of the update is to allow the Board to see how projects are progressing.

Jim Voetberg

From: Patrick Sorensen [patrick.sorensen@lwwsd.org]
Sent: Tuesday, July 01, 2014 11:51 AM
To: Beth Morgan; Byron Gaines; Dan Bourks; Dan Eisses; Gary Hayek; Jeff Clarke; Jim Voetberg; Lynne Danielson; Patrick Curran; Roger Brown; Tonya Christopherson; Anne Backstrom; Bill Cochran; Bob Miller; Bob VonDrache; Brad Cone; Carl Yurdin; Chris Kuehn; Clark Munroe; Claud Linn; David Lowry; Deb Lambert; Don Clark; Don Montfort; Donna Cross; Donovan Sheppard; Edward (Duffy) Schoeler; Edwin Sutton; Elliott Pierce; Eric Hansen; George Roy; Greg Hood; Gregory Ayers; Janice Martin; Jim Smith; Joan Caine; Joe Biller; Ian Millar; Judy Sear; Julia Rogers; Kate Roesler; Kevin Plambeck; Kitty Adams; Larry Jones; Laura Weide; Leslie McRoberts; Lora Petso; Lou Malzone; Marilyn Abrahamson; Mark Cassell; Mary Ann Plambeck; Mary Buckley; Maury Hood; Melvin Dunbar; Mike Dixon; Mike Harrigan; Mike Johnson; N. Madeleine Anderson; Neil Trounson; Pam Stevens; Patrick Alesse; Paul Kukuk; Paul McIntyre; Phil Cloward; Ralph Young; Renette Villella; Richard Banel; Richard Johnson; Richard Whitson; Robert Rodgers; Robert Vandenhaas; Rod Keppler; Sandy Ryan; Scott Hackleman; Shane Janitscheck; Sidney Iverson; Susan Crockett; Ted Stonebridge; Tom McGrath; T Rainville; Tom Nyland; Tom Summerfelt; Tom White; Trina Trimmer; Victoria Anderson; Warren (Skip) Schott; Wil Shellenberg; Willis Anderson
Cc: 'Twila Fluaitte '; 'Blair Burroughs '
Subject: Proposed 2015 WASWD Budget
Attachments: Draft 2015 WASWD Budget.pdf

All:

Attached is a copy of the proposed 2015 budget for WASWD. This proposal was recently reviewed by the WASWD Board at their June 23 meeting and authorized for submittal to the membership. It is now going out to each of the Sections for discussion and comment. It will ultimately make its way to the September Fall Conference in Spokane for approval in final form. As provided for in the agenda recently sent out there will be opportunity to discuss. I hope that I everyone's email address.

See you on the 8th in Tulalip.

Patrick Sorensen | General Manager/ICMA-CM

8am – 5pm, Monday – Thursday

(360) 734-9224, Fax (360) 738-8250



LAKE WHATCOM WATER & SEWER DISTRICT

1220 Lakeway Drive
Bellingham, WA 98229
www.lwwsd.org

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Washington Association of Sewer & Water Districts

Draft 2015 Budget as 06/16/14

	2011 Actuals	2012 Actuals	2013 Actuals	Approved 2014 Budget	Year to Date As of May 31, 2014	Proposed 2015 Budget	Comments & Assumptions
Revenues							
Dues - Members	\$ 465,945	\$ 446,310	\$ 437,792	\$ 418,000	\$ 459,597	\$ 440,000	Assumes Ronald WW no longer member
Dues - Associate Members	27,042	34,566	32,963	32,000	30,757	32,000	
Retro fee receipts	6,220	6,394	27,788	7,500	1,212	7,500	
Spring Conference	102,614	101,148	96,554	100,000	103,545	104,000	
Fall Conference	121,436	115,674	110,310	115,000	2,758	118,000	
Education & Workshop fees	17,983	10,885	11,500	14,000	14,700	14,000	
Directory Ads	4,475	3,000	3,675	3,400	500	2,800	
PIPELINE Advertising	4,448	8,125	3,880	7,500	1,830	6,000	
Web site advertising	150	650	400	300	150	3,000	New, so guesstimate
Interest Income	1,674	2,736	1,579	2,500	226	2,500	
Scholarship Interest Income	641	952	417	900	86	900	
Other Income	189	1,080	3,764	0	1,877	0	
Total Revenues	752,817	731,520	730,622	701,100	617,238	730,700	
Expenses							
Salaries & Wage	228,358	221,538	212,640	225,000	96,775	235,000	
Pension Plan Contributions	17,654	15,426	15,519	16,875	13,063	17,625	
Other Employee Benefits	51,480	52,613	46,335	51,296	23,879	45,300	Two of Twila's dependents no longer covered
Payroll Tax Expense	21,898	22,959	20,889	22,500	11,042	26,500	
Payroll service fees	1,071	1,137	1,123	1,200	452	1,200	
Accounting Fees	20,368	5,976	9,145	23,000	1,631	9,000	No audit in 2015
Attorney Fees	5,767	11,237	10,615	50,000	15,170	10,000	
Attorney Fees-Special			5,236		12,698	15,000	Guesstimate--will be <i>Swinomish</i> related fees
Lobbyist contracts	68,016	68,108	68,016	68,016	28,340	72,000	1st increase for lobbyists in years
Lobbying Expenses	5,733	2,248	1,076	3,500	409	3,500	
Regulatory expert	0	0	0	30,000		30,000	
Misc Professional Services			950	4,000	867	4,000	
MRSC	15,000	15,000	15,000	15,000	5,000	21,000	Cost increase per new contract
Retro Program Expense			21,996			0	Not recurring expense
Office Supplies Expense	1,668	3,499	4,243	3,500	1,282	3,500	
Bank Service Charges	1,851		29	200	3	200	
WASWD Bank card annual fees				200	25	200	Same as next???
Credit Card Fees			455		682	700	Conference Vendors
Communications expense	10,416	6,444	7,199	11,000	2,455	8,000	Comcast, Start Meeting, Skype, Nextiva, Cell
Postage and Shipping Expense	3,865	2,471	1,698	2,500	509	2,500	
Office Rent	50,548	57,150	16,687	37,000	15,545	38,500	
Dues & Subscriptions	435	2,455	1,566	2,500	1,065	2,000	
Computer software and equip	4,938	15,469	10,391	4,000	3,386	3,000	
Awards, certificates, & gifts	1,216	381	1,446	1,500	87	1,500	
Equipment Maintenance Expense	534	3,107	2,387	3,000		3,000	
Printing & Graphic Services			274	2,500	253	2,500	
Copying Expenses	2,929	2,804		1,000		1,000	
Insurance	1,406	3,540	3,619	4,000		4,000	Renewal is in November
Company Auto	2,575	4,037	4,115	4,500	698	4,500	
Board & meetings expense	3,149	3,808	2,744	4,000	769	3,500	
Directors Meeting Travel	8,425	8,162	7,030	9,000	1,513	9,000	
Staff Travel	1,401	534	490	6,000	832	5,000	
Entertainment & Travel Expense	3,203	3,918	1,391	0			delist/combine staff travel/entertainment
Staff training & education	1,818	1,685	1,764	3,000	275	3,000	
Spring Conference	82,610	50,760	48,208	64,000	51,869	67,000	
Fall Conference	64,761	76,877	62,807	80,000	147	73,000	
Educational forum expenses	13,894	6,000	8,328	9,500	8,780	9,500	
PIPELINE production	8,658	6,110	6,801	6,500	1,986	8,400	
Postage - PIPELINE	1,238	1,500	1,355	2,000		4,000	
Membership Directory Productio	4,691	4,064	3,684	4,500	720	4,000	
WWW Home Page	855	1,625	16,900	1,000	350	3,000	Ongoing support & hosting
Miscellaneous Expense	986	2,181	3,015	2,000		2,000	
Corporate licenses & fees	35	10	201	200		200	
Total Expenses	713,450	684,833	647,367	779,487	302,557	756,825	
Net Operating Income	39,367	46,687	83,255	(78,387)	314,681	(26,125)	

PROPOSED 2015 DRAFT BUDGET



DEPARTMENT OF
ECOLOGY
State of Washington

State Fiscal Year 2015 Final Water Quality Funding Offer List and Intended Use Plan

*Washington State Water Pollution Control
Revolving Fund*

Centennial Clean Water Program

Clean Water Section 319 Program

June 2014
Publication no. 14-10-033

Publication and Contact Information

This report is available on the Department of Ecology's Web site at <https://fortress.wa.gov/ecy/publications/SummaryPages/1410033.html>.

For more information contact:

Water Quality Program
P.O. Box 47600
Olympia, WA 98504-7600

Phone: 360-407-6502

Washington State Department of Ecology - www.ecy.wa.gov

- Headquarters, Olympia 360-407-6000
- Northwest Regional Office, Bellevue 425-649-7000
- Southwest Regional Office, Olympia 360-407-6300
- Central Regional Office, Yakima 509-575-2490
- Eastern Regional Office, Spokane 509-329-3400

To request ADA accommodation or materials in a format for the visually impaired, call Ecology at 360-407-6600. Persons with impaired hearing may call Washington Relay Service at 711. Persons with speech disability may call TTY at 877-833-6341.

State Fiscal Year 2015 Final Water Quality Funding Offer List and Intended Use Plan

Washington State Water Pollution Control Revolving Fund

Centennial Clean Water Program

Clean Water Section 319 Program

Water Quality Program - Financial Management Section
Washington State Department of Ecology

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APPENDIX 1: COMBINED LIST OF PROJECTS CONSIDERED AND OFFERED FUNDING

APPENDIX 1A: LIST OF PROJECTS OFFERED REVOLVING FUND FUNDING

APPENDIX 1B: LIST OF PROJECTS OFFERED CENTENNIAL PROGRAM FUNDING

APPENDIX 1C: LIST OF PROJECTS OFFERED SECTION 319 PROGRAM FUNDING

APPENDIX 2: LOCATION MAP OF ALL PROJECTS CONSIDERED AND OFFERED FUNDING

APPENDIX 3: REVOLVING FUND ESTIMATED SCHEDULE OF BINDING COMMITMENTS

APPENDIX 4: RESPONSE TO PUBLIC COMMENTS ON DRAFT LIST

Introduction

The Washington State Department of Ecology's (Ecology) Water Quality Program (WQP) administers three major funding programs under an integrated annual funding cycle. Ecology awards grants and loans on a competitive basis to eligible public bodies for high priority water quality projects throughout Washington.

This document, *State Fiscal Year 2015 Final Water Quality Funding Offer List and Intended Use Plan* (Final List), presents the distribution of funding for the State Fiscal Year 2015 (SFY15) funding cycle. The Final List also discusses the goals and objectives for meeting water quality priorities and state and federal funding requirements through the three funding programs.

The Final List describes how Ecology will use and administer funding for three major funding programs, including the Washington State Water Pollution Control Revolving Fund (Revolving Fund), the Centennial Clean Water Program (Centennial Program), and the federal Clean Water Act (CWA) Section 319 Program (Section 319 Program). The Final List also serves as the Intended Use Plan (IUP) required by the US Environmental Protection Agency (EPA) for providing information on how Ecology will administer the Revolving Fund. Due to the integrated nature of the funding programs, Ecology publishes one combined document.

Overview of the Funding Programs

Revolving Fund

The Revolving Fund is a low-interest rate loan program established by Congress under Title VI of the CWA Amendments of 1987 to fund water quality related projects. The Revolving Fund funds a broad range of facility and activity projects, including: planning, design, and construction of wastewater facilities, stormwater facilities, and large onsite sewage systems; planning and implementation of nonpoint source pollution control activities; planning and implementation of estuary conservation and management activities; and onsite sewage system repair and replacement. Ecology also uses the Revolving Fund to provide special funding for financially distressed (hardship) communities and for projects (or portions of projects) that meet one or more of EPA's criteria for green project reserve (GPR).

Since SFY90 Ecology has received an annual Capitalization Grant from EPA. The state must provide a 20 percent match of the Capitalization Grant; the state match comes from the Public Works Assistance Account managed by the Washington State Treasurer's Office. Each year Ecology estimates the funds available for the Revolving fund by combining the totals from the following sources:

- Capitalization Grant.
- State match.

- Known and expected repaid principal and interest from previous loans.
- Interest earned through investments by the Washington State Treasurer’s Office.
- Early repayments of previous loans.
- Declined offers.
- Differences between previous offers and final agreements.

The combined total is then offered in new loans to eligible public bodies for high priority water quality projects (see Table 4).

Due to repayment of previous loans and interest plus infusions from the Capitalization Grant, state match, and investments, the Revolving Fund continues to revolve and grow, and more money becomes available to fund water quality projects. The majority of the fund now consists of repaid principal and interest. The Revolving Fund has funded approximately \$1.4 billion in projects since its inception.

Ecology must manage the Revolving Fund in accordance with state and federal laws and rules and conditions imposed through the Capitalization Grant. Guiding state laws and rules include Chapter 90.50A RCW and Chapter 173-98 WAC.

Interest rates

Ecology uses the average 11-Bond GO Index rate for the period 30-60 days prior to the beginning of a new funding cycle and sets the interest rate, depending on the loan term, at either 60 percent or 30 percent of that average. Table 1 shows the term and interest rates for standard Revolving Fund loans for SFY15.

Table 1: SFY15 Interest Rates for Standard Revolving Fund Loans

Term	Interest Rate
Less Than 5 Years	1.4%
5 to 20 Years	2.7%

Hardship for wastewater facility construction projects

A wastewater facility construction project funded through the Revolving Fund is eligible for financial hardship consideration if the project meets the following criteria:

- The existing residential population of the service area for the project is 25,000 or less at the time of application.
- Financing the project without subsidy would cause existing residential sewer fees to be two percent or more of the median household income (MHI) for the service area.

If Ecology determines that financial hardship exists, it may structure an offer that includes a combination of grant, forgivable principal loan, and subsidized loan terms. Table 2 shows the hardship interest rate and grant/forgivable principal continuum for SFY15.

Table 2: SFY15 Hardship Interest Rates and Grant/Forgivable Principal Continuum

Sewer Fee divided by MHI:	Below 2%	2% and above but below 3%	3% and above but below 5%	5% and above
Hardship Designation:	Non-hardship	Moderate	Elevated	Severe
20-Year Loan Rates:	2.7%	1.8%	0.9%	0%
Grant/Forgivable Principal Eligibility:	Not eligible	50% (up to \$5 million)	75% (up to \$5 million)	100% (up to \$5 million)

Hardship for wastewater and stormwater facility preconstruction projects

A wastewater or stormwater facility preconstruction project (for example, planning and design) funded through the Revolving Fund is eligible for financial hardship consideration if the project meets the following criteria:

- The existing residential population of the service area for the project is 25,000 or less at the time of application.
- The MHI for the service area is less than 80 percent of the state MHI.

Ecology may award a forgivable principal loan for 50 percent of the eligible project costs to applicants that meet these criteria.

Centennial Program

The Centennial Program provides grants to eligible public bodies for wastewater infrastructure and nonpoint source pollution control projects. Nonpoint source pollution control projects include stream restoration and vegetated buffers, water quality-focused agricultural best management practices (BMPs), onsite sewage system repair and replacement, and stormwater activities. The only infrastructure projects that are eligible for Centennial Program grants are wastewater facility construction projects in qualified hardship communities. Although rare, loans can be made from the Centennial Program, too.

The Centennial Program may be funded from various state sources, including the State General Fund, the State Building Construction Account, and the State and Local Toxics Account.

Ecology must manage the Centennial Program in accordance with state laws and rules, including Chapter 70.146 RCW and Chapter 173-95A WAC.

Section 319 Program

Congress established the Section 319 Program as part of the CWA amendments of 1987 to address nonpoint sources of water pollution. EPA offers an annual grant to Washington to implement its plan to control nonpoint sources of pollution, *Washington’s Water Quality Management Plan to Control Nonpoint Sources of Pollution*. The grant from EPA requires a 40 percent state match, and Ecology provides this match through Centennial Program grants for nonpoint source pollution control projects.

The Section 319 Program provides grants for a variety of activity projects that address nonpoint sources of pollution. Projects include stream restoration and vegetated buffers, water quality-

focused agricultural best management practices (BMPs), onsite sewage system repair and replacement, and stormwater activities. Projects that implement BMPs are required to collect and report data to estimate load reductions of nitrogen, phosphorus, and sediments, and Ecology must report the reductions to EPA annually. Eligible applicants include public bodies in addition to not-for-profit groups that are not eligible for other water quality funding programs administered by Ecology.

There are no specific state laws or rules for the Section 319 Program, but Ecology uses federal laws, rules, and guidelines and the Centennial Program laws and rules to steer the program.

Mission, Goals, & Objectives

The overall mission of Ecology is to protect, preserve, and enhance Washington's environment and promote the wise management of our air, land, and water. In addition, the mission of Ecology's WQP is to:

- Prevent and clean up water pollution.
- Help communities make sustainable choices that reduce and prevent water quality problems.
- Provide water quality partners with technical and financial assistance for high priority water quality projects.

The following combined list of short- and long-term goals and objectives help achieve the overall mission of Ecology and the WQP through the financial assistance programs.

Goal 1: Identify and fund the highest priority water quality focused projects statewide

Objectives

- Communicate with internal Ecology experts to identify regional water quality priorities.
- Coordinate with external partners, including advisory groups and state, federal, and local governments for input on water quality priorities.
- Expand the universe of sources providing input on priorities by expanding outreach to include tribes, conservation districts, and other organizations.
- Provide priority-rating consideration for meeting state and federal requirements for wastewater and stormwater facilities.
- After meeting other obligations, set aside one-third of the Centennial Program and 20 percent of the Revolving Fund for nonpoint source pollution control projects.
- Communicate with the Washington State Legislature regarding needs and priorities for funding.
- Require that funded projects are consistent with the goals of Sections 212, 319, and 320 of the CWA, including Washington's Section 319 Nonpoint Plan (*Washington Water Quality*

Management Plan to Control Nonpoint Source Pollution) and Washington's Section 320 Estuary Plan (*The 2012/2013 Action Agenda for Puget Sound*).

Goal 2: Provide funding through a fair, objective, and transparent process

Objectives

- Involve stakeholders in major funding program development, including rules, guidance documents, policies, and the application process.
- Provide the opportunity for public comment on funding offers, rules, and major funding program changes.
- Review the funding application and evaluation process annually with a focus on consistency and objectivity in rating and ranking.

Goal 3: Provide the best possible funding packages to financially distressed (hardship) communities

Objectives

- Review the financial hardship application form annually to ensure the proper evaluation of the effect of sewer fees on residential ratepayers as a percentage of median household income (MHI) for wastewater facilities construction projects.
- After meeting other obligations, set aside one-third of the Centennial Program to provide grants for wastewater facilities construction projects in small communities where the effect of the project on existing residential ratepayers will result in sewer fees that are two percent or more of the MHI.
- After meeting other obligations, set aside five percent of the Revolving Fund to provide 50 percent forgivable principal loans to small communities with MHIs 80 percent or less of the state MHI for preconstruction activities such as planning and design of wastewater and stormwater facilities.
- Provide priority-rating consideration for small communities with MHIs less than the state MHI for preconstruction activities such as planning and design of wastewater and stormwater facilities.
- Offer reduced interest rates to local governments who target onsite sewage system repair and replacement loans to financially distressed homeowners and small business owners.

Goal 4: Provide technical assistance to funding applicants and recipients

Objectives

- Work closely with EPA and other federal agencies to ensure effective coordination associated with major federal environmental requirements under the Revolving Fund and the

Section 319 Program. Also, work closely with appropriate federal and state agencies to ensure effective coordination associated with major state environmental requirements.

- Provide outreach at workshops and conferences to disseminate information related to major state and federal requirements, including the Davis-Bacon wage requirement, the State Environmental Review Process (SERP), the Growth Management Act (GMA), and other requirements.
- Conduct four annual funding applicant workshops.
- Conduct two annual funding recipient workshops.
- Maintain the Water Quality Grants and Loans webpage at www.ecy.wa.gov/programs/wq/funding/funding.html
- Provide individual training to funding recipients when requested.

Goal 5: Provide sound financial management of the funding programs and projects

Objectives

- Evaluate the Revolving Fund annually to ensure the availability of funds in perpetuity as defined by Chapter 173-98 WAC, *Use and Limitations of the Water Pollution Control Revolving Fund*. Include in the annual review a review of the newly established Administration Charge (see the “Funding Programs Changes and Development” section).
- Conduct financial capability assessments on Revolving Fund loan recipients.
- Coordinate with Ecology’s Fiscal Office on overall financial management issues and to prevent and resolve possible audit issues.
- Conduct internal workgroup meetings to identify problems, needs, and emerging issues regarding projects.
- Continue to integrate the major funding programs.
- Coordinate with advisory groups and councils, including the Financial Assistance Council (FAC) and the State Revolving Fund Executive Oversight Committee.
- Work closely with other funding agencies and programs to leverage funds including, Community Development Block Grant (CDBG), Community Economic Revitalization Board (CERB), Department of Health (DOH), Rural Community Assistance Corporation (RCAC), Public Works Board (PWB), Transportation Improvement Board (TIB), and US Department of Agriculture Rural Development (RD).

SFY15 Funding Cycle

The annual funding cycle combines the three major funding programs into one process, using one application, one rating and ranking process, and preparing one prioritized offer list. In 2013, Ecology began developing a new web-based grant and loan management system called Ecology

Administration of Grants and Loans (EAGL). Ultimately, EAGL will be used to manage grants and loans from the point of application all the way through final closeout. The SFY15 Funding Cycle application process was the first to be conducted through EAGL. Figure 1 is a diagram of the SFY15 funding cycle process that began on October 1, 2013; applications were accepted into the EAGL system between October 11 and December 4, 2013.

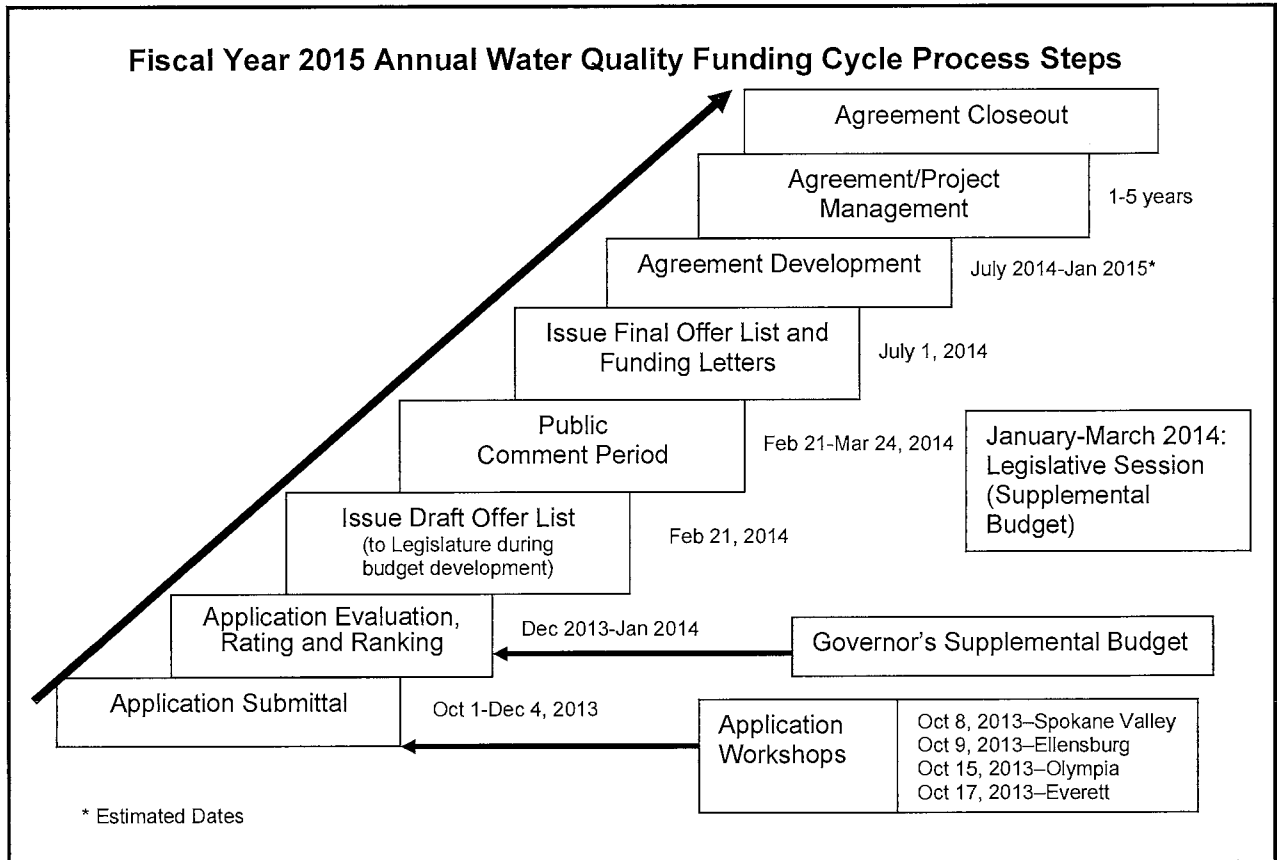


Figure 1: SFY15 Funding Cycle Process

Processes for Rating, Ranking, and Allocation

Ecology allocated funds to projects from the three major funding programs based on expected funds, project priority, project type (activity or facility), funding source requirements, funding program rating criteria, and demand for funds.

Rating criteria

The SFY15 application rating criteria and points are listed in Table 3.

Table 3: SFY15 Application Rating Criteria

Form and Scoring	Points
Scope of Work Form (up to 250 points) <ul style="list-style-type: none"> The scope of work represents a complete and concise description of the project tasks and outcomes, including deliverables and timelines. 	0-100
<ul style="list-style-type: none"> The project directly and measurably addresses a water quality problem. 	0-150
Task Costs General Form (up to 150 points) <ul style="list-style-type: none"> The cost estimate process is reasonable. 	0-50
<ul style="list-style-type: none"> The project task costs represent a good value for the work and water quality benefits achieved. The applicant has identified adequate matching funds. 	0-100
Water Quality and Public Health Improvement Form (up to 250 points) <ul style="list-style-type: none"> How severe is the water quality problem and how well is it defined? 	0-50
<ul style="list-style-type: none"> The project will achieve substantial water quality and public health benefits. 	0-100
<ul style="list-style-type: none"> Project success can be measured, and the proposed methods to measure success are reasonable. 	0-50
<ul style="list-style-type: none"> The project will provide long-term water quality benefits. Systems are in place to sustain the benefits after funding support has ended. 	0-50
Coordination with State and Federal Priorities Form (up to 100 points) <ul style="list-style-type: none"> How well does the project address a current permit requirement or TMDL implementation? OR How well does the project address other state or federal water quality requirements? OR How well does the project address the Puget Sound Partnership Action Agenda or current approved plan or program, other than a TMDL, specifically designed to address water quality problems? AND How well does the applicant and the project address greenhouse gas emission reductions in accordance with RCW 70.235.070? 	0-100
Project Team Form (up to 50 points) <ul style="list-style-type: none"> Team members' roles and responsibilities are well defined and adequate for the Scope of Work. 	0-20
<ul style="list-style-type: none"> Team members' experience is relevant. 	0-20
<ul style="list-style-type: none"> Staffing commitment is well documented. 	0-10
Project Development, Local Support, and Past Performance Form (up to 75 points) <ul style="list-style-type: none"> A comprehensive decision making process was used to arrive at the proposed project. 	0-20
<ul style="list-style-type: none"> Plans for long-term project success and sustainability were considered during project development. 	0-20
<ul style="list-style-type: none"> A high level of local support and commitment for the project is documented. 	0-20
<ul style="list-style-type: none"> The applicant documents successful performance on other funded water quality projects, including Ecology funded projects. 	0-15
Readiness to Proceed Form (up to 75 points) <ul style="list-style-type: none"> Project elements are in place for the project to proceed and documentation is provided. 	0-75
Financial Hardship Form (0 or 50 points) <ul style="list-style-type: none"> Does the applicant meet the criteria for financial hardship? 	0 or 50

Rating and ranking process

Before rating and ranking projects, Ecology headquarters staff screened and verified the eligibility of each application. Staff determined that seven proposals were ineligible for funding; staff did not rate or rank the ineligible projects. In addition, there were two applications for refinancing debt for completed wastewater facility construction projects; since Ecology only funds standard refinance projects after all other eligible projects are funded, staff did not rate or rank the refinance projects.

Next, two Ecology regional staff with water quality technical expertise independently rated each eligible proposal. One evaluator was from the Ecology region where the proposal originated, and the other was from a different region. Ecology averaged the two scores to obtain the final score. In cases where the two scores deviated by more than 100 points, an evaluator from Ecology headquarters conducted a third independent evaluation, and staff averaged the two closest scores to obtain the final score.

In order to be eligible for funding, a proposal must receive a score of at least 600 points overall and at least 125 points on the Water Quality and Public Health Improvements form. If two projects had the same total score, Ecology first used scores on the Water Quality and Public Health Improvements form to break the tie. If a tie remained, Ecology used scores on the Readiness to Proceed form to break the tie. If a tie still remained, Ecology used scores on the Coordination With State and Federal Priorities form to break the tie.

Finally, Ecology staff generated the ranked list of project proposals based on the final average scores. The ranked list is presented in Appendix 1.

Allocation process

Ecology developed the list of projects offered funding and the allocation of funds based on expected funds, project priority, project type, funding source requirements, rating scores, and demand. Ecology limited partial funding offers to those where the project had adequate levels of funding to meet the water quality objectives of the project. Ecology will offer Revolving Fund loans only to applicants willing to accept loans.

Due to the integrated nature of the process, the allocation of funds does not strictly follow the project ranking. In some cases the demand for the funds did not meet the set-asides (see the Set-asides and Limitations section below). Where this occurred, Ecology shifted the funds to other projects in ranked priority order.

By-pass for the Revolving Fund

If an applicant declines the offered Revolving Fund funding or Revolving Fund funds are otherwise unobligated, Ecology will shift the funds to the next project in ranked priority order.

Estimated Available Funding

Revolving Fund

Ecology has \$180 million available for loans from the Revolving Fund in SFY15. Table 4 shows the available SFY15 funding for the Revolving Fund and the fund sources. Overall, the amount of funding is greater than in most previous years because Ecology extended the “cash flow acceleration” model it began using in SFY14. The extended acceleration model includes projected principal and interest repayments through SFY15 and part of SFY16 in the total available funding. Prior to SFY14, Ecology only included the projected principal and interest received during the SFY in which the funding cycle began in the available funding calculations.

Table 4: SFY15 Revolving Fund Funding

	Actual Through SFY13	Estimated for SFY14	Estimated for SFY15	Total
Sources of Funds				
Federal Funds Received	\$630,154,796	\$23,246,763	\$24,383,000	\$677,784,559
State Match	\$112,400,579	\$4,649,353	\$4,876,600	\$121,926,532
Interest Earned on Investments	\$35,183,767	\$304,739	\$304,739	\$35,793,245
Loan Principal Repayments and Interest Payments*	\$590,299,260	\$52,306,740	\$153,760,662	\$796,366,662
Subtotals	\$1,368,038,402	\$80,507,594	\$183,325,001	\$1,631,870,997
Uses of Funds				
Loan Obligations, Including Amendments and Deobligations - As of 06/06/14	\$1,299,117,678	\$125,641,937	---	\$1,424,759,615
Administration Via Capitalization Grant	\$25,206,192	\$929,871	\$975,320	\$27,111,382
Subtotals	\$1,324,323,870	\$126,571,807	\$975,320	\$1,451,870,997
Available for Loans in SFY15	---	---	---	\$180,000,000

* = The estimated amount for SFY15 includes loan principal repayments and interest payments expected for SFY15 and SFY16 plus a portion of the existing account cash balance.

Centennial Program

The 2013-15 State Biennial Budget appropriated \$50 million for the Centennial Program. Of this total, \$3 million was provided solely for the Port of Walla Walla/Burbank School District septic system replacement project. Ecology awarded approximately \$25 million of the remainder in SFY14. For SFY15 Ecology has approximately \$22 million in Centennial Program funds available.

Section 319 Program

The Federal Fiscal Year 2014 (FFY14) grant from EPA for implementation of the Section 319 Program is \$1,604,900.

Set-asides and Limitations

Administrative rules, program policies, legislative directives, federal grant conditions, and funding levels result in requirements that Ecology commit (or set aside) portions of the available funding for particular purposes and impose limits on uses and amounts. The set-asides and limitations vary from year to year. Some specific set-asides and limitations for the programs are described below.

Revolving Fund

The FFY14 Capitalization Grant requires Ecology to commit at least 10 percent of the grant for projects (or portions of projects) that meet one or more of EPA's GPR criteria. That means at least \$2,438,300 must be committed to GPR projects. Ecology must also make a *"timely and concerted solicitation"* of GPR projects. Ecology meets this requirement by explaining the advantages of GPR projects at trainings and in presentations throughout the year and by providing up to 25 percent forgivable principal loans to the highest ranked priority GPR-eligible projects.

The FFY14 Capitalization Grant requires Ecology to provide additional subsidization reserve (ASR) funding in the form of principal forgiveness, negative interest rate loans, or grants. The required ASR funding is a range EPA established based on the total amount of Capitalization Grants offered nationally in excess of \$1 billion. The FFY14 Capitalization Grant requires that between \$1,326,866 and \$1,990,299 be committed to ASR. The Capitalization Grant suggests meeting the ASR requirement by providing subsidization to *"communities that could not otherwise afford such projects or that are defined by the State as disadvantaged."* In addition, the FFY14 Capitalization Grant requires that Ecology ensure the "sustainability" of ASR projects by directing funding to projects that meet one or more of the three following criteria:

- 1) *"Repair, replacement, and upgrade of infrastructure in existing communities.*
- 2) *Investigations, studies, or plans that improve the technical, financial, and managerial capacity of the assistance recipient to operate, maintain, and replace financed infrastructure.*
- 3) *Preliminary planning, alternatives assessment and eligible capital projects that reflect the full life cycle costs of infrastructure assets, conservation of natural resources, and alternative approaches to integrate natural or "green" systems into the built environment."*

Ecology meets the ASR requirement by providing forgivable principal loans to wastewater facility construction projects in existing hardship communities, wastewater and stormwater facility preconstruction projects in hardship communities, and GPR-eligible projects and by ensuring that all funded projects meet one or more of the EPA-defined sustainability criteria.

The following are set-asides and limits on the Revolving Fund.

- Ten percent of the Capitalization Grant is allocated to GPR projects.
 - GPR projects may receive up to 25 percent forgivable principal loan.

- No more than 50 percent of the amount in this category may be allocated to any applicant.
- After the GPR allocation, 75 percent of the total remaining funds are set aside for wastewater and stormwater facility construction projects.
 - No more than 50 percent of the amount in this category may be allocated to any applicant.
 - Wastewater facility construction projects in hardship communities may be eligible for up to 100 percent forgivable principal loan.
 - The combined total of Revolving Fund forgivable principal loan and Centennial Program grant may not exceed \$5 million for any project.
 - A “Step 4” (“Design and Construct”) project may not exceed \$5 million in total costs.
- After the GPR allocation, 20 percent of the total remaining funds are set aside for nonpoint source pollution control activities projects.
 - No more than 50 percent of the amount in this category may be allocated to any applicant.
- After the GPR allocation, five percent of the total remaining funds are set aside for wastewater and stormwater facility preconstruction projects in communities with populations less than 25,000 and MHIs less than the state MHI. In addition, if the MHI is less than 80 percent of the state MHI, the community may qualify for up to 50 percent forgivable principal loan.
 - No more than 20 percent of the amount in this category may be allocated to any applicant.
- The total in forgivable principal loans offered must be between \$1,326,866 and \$1,990,299.
- Except for GPR and ASR, funds may be moved from one category to another if there is limited demand.

Centennial Program

Ecology has established the following set-asides and limits on the Centennial Program funds.

- One-third is set aside for wastewater facility construction projects in hardship communities.
 - The combined total of Revolving Fund forgivable principal loan and Centennial Program grant may not exceed \$5 million for any single project.
- One-third is set aside for nonpoint source pollution control activities projects. (This also meets the 40 percent required state match for the EPA grant for the Section 319 Program.)
- The remaining one-third is awarded based on priority ranking.
- Funds may be moved from one category to another if there is limited demand.

Section 319 Program

All of the EPA grant for the Section 319 Program must be used for grants for nonpoint source pollution control activities projects.

Table 5 summarizes the SFY15 set-asides for each program and category in dollars.

Table 5: SFY15 Set-asides

Category	Revolving Fund Loans	Centennial Program Grants	Section 319 Program Grants
Wastewater and Stormwater Facility Preconstruction	\$8,878,085		
Wastewater and Stormwater Facility Construction	\$133,171,275		
Green Project Reserve	\$2,438,300		
Additional Subsidization Reserve (Minimum - Maximum)	\$1,326,866 - \$1,990,299		
Wastewater Facility Construction in Hardship Communities		\$7,333,333	
Nonpoint Source Pollution Control Activities	\$35,512,340	\$7,333,333	\$1,604,900

Demand and Allocation of Funds

Demand for funds

Ecology received 89 applications for funding proposing a variety of project types. Applicants requested a total of \$275 million in project funding. Table 6 provides a summary of project applications and funding requests listed by broad categories.

Table 6: SFY15 Funding Requested

Category	Projects	Grant Requested	Loan Requested
Nonpoint Source Pollution Control Activity	29	\$6,069,504	
Onsite Sewage System	4	\$1,537,659	\$1,250,000
Stormwater Activity	7	\$1,163,706	
Stormwater Facility	1		\$3,325,000
Wastewater Facility	48	\$500,000	\$260,683,978
Totals	89	\$9,270,869	\$265,258,978

Allocation of funds

Ecology is offering grant and loan funding for 70 projects totaling approximately \$202 million. The total includes \$180 million from the Revolving Fund, approximately \$20.8 million from the Centennial Program, and approximately \$1.6 million from the Section 319 Program.

As stated above, the seven proposals determined to be ineligible for funding and the two refinance projects were not rated. Nine projects did not score high enough in the rating and ranking system to qualify for funding.

All projects that scored 600 points or higher are offered full funding with the following exceptions:

- Five proposals from King County - Natural Resources and Parks Department rated and ranked within the top 18 projects. The five projects had combined total eligible costs of more than \$108 million. Despite the high ranking of the projects, Ecology was precluded from offering full funding for the projects because the maximum allowable Revolving Fund offer amount was \$67,500,000 in total funding due to the requirement that no more than 50 percent of the Revolving Fund funding in any category can go to any single applicant. Thus, Ecology is proposing to fully fund projects WQC-2015-KCoNRP-00001, WQC-2015-KCoNRP-00002, and WQC-2015-KCoNRP-00005. Project WQC-2015-KCoNRP-00004 is being offered partial funding, and project WQC-2015-KCoNRP-00003 is not being offered funding.
- Project WQC-2015-TLC-00125 rated and ranked high enough for funding, but because the applicant is a nonprofit it's only eligible for Section 319 Program funding. Most of the available Section 319 Program funding was offered to higher ranking Section 319 Program-eligible projects, so it is being offered partial funding.
- Project WQC-2015-Spokane-00038 is being offered partial funding because, with the offered partial funding, the total offered Revolving Fund funding reached the total available amount of \$180 million.

Detailed information on all proposals received and offered funding can be found in Appendix 1. Tables 7 through 13 present the summarized information on the funding.

- Table 7 summarizes the allocation of funding in SFY15 by category, funding program, and funding type.
- Table 8 provides information on the offered funding for wastewater facility construction projects in hardship communities.
- Table 9 provides information on the offered funding for wastewater and stormwater facility preconstruction projects in communities of less than 25,000 population with MHIs less than the state MHI.
- Table 10 provides information on the offered funding for GPR projects.
- Table 11 provides information on the offered ASR funding.
- Table 12 provides information on the offered funding for CWA Section 319 projects funded through the Revolving Fund.
- Table 13 provides information on projects offered funding located within the Puget Sound watershed.

Table 7: SFY15 Summary of Allocation of Funds

Category	Projects	Revolving Fund Standard Loan	Revolving Fund Forgivable Principal Loan	Centennial Program Grant	Section 319 Program Grant
Nonpoint Source Pollution Control Activity	22			\$2,616,665	\$1,604,900
Onsite Sewage System	4	\$1,548,500		\$1,537,659	
Stormwater Activity	4	\$32,337		\$774,977	
Stormwater Facility	1	\$3,325,000			
Wastewater Facility	39	\$173,235,296	\$1,858,867	\$15,871,601	
Totals	70	\$178,141,133	\$1,858,867	\$20,800,902	\$1,604,900

Table 8: SFY15 Offered Funding for Wastewater Facility Construction in Hardship Communities

Rank	Applicant	Project Title	Hardship Level	Revolving Fund Standard Loan	Weighted Interest Rate	Revolving Fund Forgivable Principal Loan	Centennial Program Grant
1	Deer Park, City of	Wastewater Storage Lagoons #1, #2 and #3 Construction Upgrade	Elevated	\$5,693,570	2.0%		\$5,000,000
2	Morton, City of	Morton Collection System Improvements	Moderate	\$739,938	2.7%	\$28,000	\$394,962
3	Vera Water and Power	Sun Acres LOSS Decommission/Spokane County System Connection	Elevated	\$186,340	0.9%		\$559,019
4	Sacheen Lake Water and Sewer District	Sacheen Lake Wastewater Collection and Treatment Project	Severe	\$6,000,000	0.0%		\$5,000,000
5	Shelton, City of - Public Works Department	City of Shelton Basin 3 Sewer Rehabilitation Project	Moderate	\$4,471,782	2.3%		\$1,875,298
8	Chehalis, City of - Public Works Department	Chehalis Basin 1022 I&I Rehabilitation Project	Moderate	\$1,033,150	2.4%	\$75,000	\$301,850
19	Grays Harbor County - Public Services Department	Illahee/Oyehut Sewer Collection System	Severe	\$658,371	2.7%	\$126,000	\$2,199,629
22	Ilwaco, City of	Sahalee Subdivision Sewer System Improvement	Moderate	\$1,521,332	2.4%	\$137,105	\$540,843
Totals				\$20,304,483		\$366,105	\$15,871,601

Table 9: SFY15 Offered Funding for Wastewater and Stormwater Facility Preconstruction

Rank	Applicant	Project Title	Revolving Fund Standard Loan for Preconstruction	Revolving Fund Forgivable Principal Loan for Preconstruction
2	Morton, City of	Morton Collection System Improvements	\$28,000	\$28,000
6	Metaline Falls, Town of	Sullivan Creek Protection Project: Metaline Falls Wastewater Upgrades	\$11,800	\$11,800
8	Chehalis, City of - Public Works Department	Chehalis Basin 1022 I&I Rehabilitation Project	\$75,000	\$75,000

Rank	Applicant	Project Title	Revolving Fund Standard Loan for Preconstruction	Revolving Fund Forgivable Principal Loan for Preconstruction
13	Morton, City of	Morton Wastewater Treatment System Improvements	\$391,500	\$391,500
15	Okanogan city of	Wastewater Treatment Facility Headworks Improvements	\$12,400	\$12,400
19	Grays Harbor County - Public Services Department	Illahee/Oyehut Sewer Collection System	\$126,000	\$126,000
22	Ilwaco, City of	Sahalee Subdivision Sewer System Improvement	\$137,105	\$137,105
34	Oak Harbor, City of	City of Oak Harbor Wastewater Treatment Plant	\$8,260,000	
39	Oak Harbor, City of	City of Oak Harbor Wastewater Outfall Project	\$325,000	
47	Toppenish, City of - Public Works Department	Engineering Evaluation/General Sewer Plan	\$75,000	\$75,000
49	Aberdeen, City of - Public Works	City of Aberdeen WWTP outfall replacement	\$84,000	\$84,000
51	Port Gamble S'Klallam Indian Tribe	Sewer Lift Station and Force Main from RGF to MBR WWTP Site: Design & Const	\$355,000	
59	Soap Lake, City of	Sewer Capital Improvements Plan	\$37,500	\$37,500
61	Sprague, City of	General Sewer Plan	\$28,445	\$28,445
66	Port Gamble S'Klallam Indian Tribe	Port Gamble S'Klallam Tribe Membrane BioReactor WWTP (MBR) Design	\$1,471,350	
67	Concrete, Town of	2014, Town of Concrete Comprehensive Sewer and WWF Plan Update	\$50,000	\$50,000
70	Ephrata, City of - Public Works Department	City of Ephrata General Sewer Plan/Wastewater Facility Plan	\$60,000	\$60,000
Totals			\$11,528,100	\$1,116,750

Table 10: SFY15 Offered Funding for Green Project Reserve

Rank	Applicant	Project Title	GPR Category and Designation	Revolving Fund Standard Loan for GPR
11	King County - Natural Resources and Parks Department	Barton CSO Beach Project (Construction Phase)	1.2-6. Green Infrastructure. Comprehensive retrofit programs designed to keep wet weather discharges out of all types of sewer systems using green infrastructure technologies and approaches. Green infrastructure installed will include bioretention swales, under drains, underground injection control wells, plantings, and street trees.	\$4,675,979
23	Skagit County - Planning and Development Services	Skagit County Non-point Repair Fund and Edison LOSS Green Upgrades	4.2-6. Environmentally Innovative. Decentralized wastewater treatment solutions to existing deficient or failing onsite wastewater systems.	\$200,000
37	Kitsap Public Health District	Regional Clean Water Revolving Loan Program	4.2-6. Environmentally Innovative. Decentralized wastewater treatment solutions to existing deficient or failing onsite wastewater systems.	\$1,000,000
41	West Richland, City of - Public Works Department	Biosolids Processing Facility	3.2-2. Energy Efficiency. Projects that achieve a 20% reduction in energy consumption. This project documents 42% savings.	\$715,000
56	Sequim, City of - Public Works Department	City of Sequim Water Reuse Facility Aerobic Digester Aeration Improvements	3.2-2. Energy Efficiency. Projects that achieve a 20% reduction in energy consumption. This project documents 40% savings.	\$635,000
Totals				\$7,225,979

Table 11: SFY15 Offered Funding for Additional Subsidization Reserve

Rank	Applicant	Project Title	Revolving Fund Forgivable Principal Loan	ASR Sustainability Criterion Met
2	Morton, City of	Morton Collection System Improvements	\$28,000	1
6	Metaline Falls, Town of	Sullivan Creek Protection Project: Metaline Falls Wastewater Upgrades	\$11,800	1
8	Chehalis, City of - Public Works Department	Chehalis Basin 1022 I&I Rehabilitation Project	\$75,000	1
11	King County - Natural Resources and Parks Department	Barton CSO Beach Project (Construction Phase)	\$766,117	3
13	Morton, City of	Morton Wastewater Treatment System Improvements	\$391,500	2
15	Okanogan city of	Wastewater Treatment Facility Headworks Improvements	\$12,400	1
19	Grays Harbor County - Public Services Department	Illahee/Oyehut Sewer Collection System	\$126,000	1
22	Ilwaco, City of	Sahalee Subdivision Sewer System Improvement	\$137,105	1
47	Toppenish, City of - Public Works Department	Engineering Evaluation/General Sewer Plan	\$75,000	2
49	Aberdeen, City of - Public Works	City of Aberdeen WWTP outfall replacement	\$84,000	1
59	Soap Lake, City of	Sewer Capital Improvements Plan	\$25,500	2
61	Sprague, City of	General Sewer Plan	\$16,445	2
67	Concrete, Town of	2014, Town of Concrete Comprehensive Sewer and WWF Plan Update	\$50,000	2
70	Ephrata, City of - Public Works Department	City of Ephrata General Sewer Plan/Wastewater Facility Plan	\$60,000	2
Totals			\$1,858,867	

Table 12: SFY15 Offered Funding for Clean Water Act Section 319 Projects Through the Revolving Fund

Rank	Applicant	Project Title	Revolving Fund Standard Loan	Revolving Fund Forgivable Principal Loan	Section 319 Program Grant	Centennial Program Grant	Objective(s) of State Nonpoint Plan Implemented by Project
16	Snohomish County - Public Works Department	Snohomish County Clean Water Loan and Grant Program	\$298,500	\$0	\$0	\$292,659	Urb 17: Test innovative approaches for providing funds to homeowners to repair failing onsite systems.
23	Skagit County - Planning and Development Services	Skagit County Non-point Repair Fund and Edison LOSS Green Upgrades	\$250,000	\$0	\$0	\$250,000	Urb 17: Test innovative approaches for providing funds to homeowners to repair failing onsite systems.
37	Kitsap Public Health District	Regional Clean Water Revolving Loan Program	\$1,000,000	\$0	\$0	\$495,000	Urb 17: Test innovative approaches for providing funds to homeowners to repair failing onsite systems.
Totals			\$1,548,500	\$0	\$0	\$1,037,659	

Table 13: SFY15 Offered Funding for Projects in the Puget Sound Watershed

Rank	Applicant	Project Title	Revolving Fund Standard Loan	Revolving Fund Forgivable Principal Loan	Section 319 Program Grant	Centennial Program Grant
5	Shelton, City of - Public Works Department	City of Shelton Basin 3 Sewer Rehabilitation Project	\$4,471,782			\$1,875,298
7	Port Angeles, City of - Public Works	Port Angeles CSO Phase 2	\$12,000,000			
9	Nisqually Indian Tribe	Ohop Phase III Riparian Revegetation Project				\$59,768
10	King County - Natural Resources and Parks Department	Fremont Siphon Replacement (Construction Phase)	\$29,459,059			
11	King County - Natural Resources and Parks Department	Barton CSO Beach Project (Construction Phase)	\$7,793,299	\$766,117		
12	King County - Natural Resources and Parks Department	South Magnolia CSO (Construction Phase)	\$26,449,931			
16	Snohomish County - Public Works Department	Snohomish County Clean Water Loan and Grant Program	\$298,500			\$292,659
17	King County - Natural Resources and Parks Department	North Beach CSO (Construction Phase)	\$3,031,594			
23	Skagit County - Planning and Development Services	Skagit County Non-point Repair Fund and Edison LOSS Green Upgrades	\$250,000			\$250,000
26	Island County - Public Health Department	On-Site Sewage System Financial Assistance Program				\$500,000
27	Skagit County - Public Works Department	Trumpeter Creek Riparian and Channel Restoration				\$248,663
31	Mukilteo Water and Wastewater District	MWWD WWTF Design: Secondary Clarifier, Splitter Box, Aerobic Digester	\$825,000			
32	Samish Water District	Samish Water District - Lake Samish Pump Station No. 4 Rebuild	\$835,593			
34	Oak Harbor, City of	City of Oak Harbor Wastewater Treatment Plant	\$8,260,000			
35	Poulsbo, City of - Public Works Department	City of Poulsbo TMDL Implementation Plan				\$198,700
36	Lake Stevens Sewer District	Decommission Former LSSD WWTP Site: Phase 2A, Biosolids Removal	\$4,025,000			
37	Kitsap Public Health District	Regional Clean Water Revolving Loan Program	\$1,000,000			\$495,000
39	Oak Harbor, City of	City of Oak Harbor Wastewater Outfall Project	\$3,200,000			
42	Sound Salmon Solutions	Lower Mainstem Stillaguamish Restoration			\$109,465	
43	Jefferson County Public Health	Hood Canal Priority Basins				\$307,948
44	Sound Salmon Solutions	Stillwater Natural Area Restoration			\$122,730	
46	Sequim, City of - Public Works	STORMWATER AS A RESOURCE: Sequim				\$249,964

Rank	Applicant	Project Title	Revolving Fund Standard Loan	Revolving Fund Forgivable Principal Loan	Section 319 Program Grant	Centennial Program Grant
	Department	Stormwater Management Plan and Program				
48	Adopt A Stream Foundation	Northpointe Park Riparian Enhancement Project			\$160,015	
51	Port Gamble S'Klallam Indian Tribe	Sewer Lift Station and Force Main from RGF to MBR WWTP Site: Design & Const	\$1,680,000			
54	American Farmland Trust	Farmers for Clean Water			\$217,500	
55	Adopt A Stream Foundation	Catherine Creek Riparian Buffer Enhancement			\$196,894	
56	Sequim, City of - Public Works Department	City of Sequim Water Reuse Facility Aerobic Digester Aeration Improvements	\$720,000			
57	Adopt A Stream Foundation	Sorgenfrei Creek Riparian Restoration			\$86,579	
58	Lummi Indian Business Council	Smuggler's Slough Restoration Project				\$305,292
63	Kitsap Public Health District	Directed PIC for Burley and Lofall Creek Watersheds				\$317,105
66	Port Gamble S'Klallam Indian Tribe	Port Gamble S'Klallam Tribe Membrane BioReactor WWTP (MBR) Design	\$1,471,350			
67	Concrete, Town of	2014, Town of Concrete Comprehensive Sewer and WWF Plan Update	\$50,000	\$50,000		
69	Yelm, City of - Public Works Department	City of Yelm Stormwater Comprehensive Plan	\$25,000			\$75,000
Totals			\$105,846,108	\$816,117	\$893,183	\$5,175,396

Revolving Fund Key Conditions

Assurances and certifications

In 2008, Ecology and EPA amended the Operating Agreement for the Revolving Fund program. The Operating Agreement includes the necessary assurances and certifications required by the EPA and the CWA. The Operating Agreement specifies numerous conditions that must be met for the Revolving Fund program, and each Capitalization Grant typically contains additional conditions that must be met. Ecology is committed to being in compliance with all conditions in the Operating Agreement between Ecology and EPA for the Revolving Fund and any additional conditions found in the Capitalization Grant (including any addenda) for any given year.

Some of the key conditions that apply to the Revolving Fund are addressed elsewhere in this document; however, some are addressed in this section.

Timely and expeditious use of funds

In accordance with EPA Memorandum #SRF 99-05, Ecology must execute binding commitments at least equal to the amount of all Revolving Fund funds available within one year of fund availability. Table 14 shows the cumulative funds received, cumulative principal and interest collected, and the cumulative administration expenditures through SFY13 in addition to the cumulative loan obligations projected through SFY14. The table shows that Ecology is

projecting it will commit more than 100 percent of the cumulative funds available through SFY14.

Table 14: Timely and Expeditious Use of Federal Funds

Federal Funds Received--Cumulative Through SFY13	\$630,154,796
State Match--Cumulative Through SFY13	\$112,400,579
Principal and Interest Repayments--Cumulative Through SFY13	\$590,299,260
Interest Earned on Investments--Cumulative Through SFY13	\$35,183,767
Administration--Cumulative Through SFY13	(\$25,206,192)
Total Funds--Cumulative Through SFY13	\$1,342,832,210
Loan Obligations--Projected Through SFY14--as of 06/06/2014	\$1,424,759,615
Loan Obligations to Total Funds Available	106%

Binding commitments

Ecology must make binding commitments for 120 percent of the federal funds received within one year following receipt of payment. Appendix 3 shows the expected binding commitment dates for the SFY15 Revolving Fund loans, and Table 15 shows that Ecology easily expects to meet the requirement to commit at least 120 percent of the projected federal funds received through SFY15.

Table 15: Estimated Binding Commitments with Respect to the FFY14 Capitalization Grant

FFY14 Capitalization Grant	\$24,383,000
Binding Commitments Required Within One Year of Receipt (120%)	\$29,259,600
Estimated Binding Commitments at the End of SFY15	\$180,000,000
Estimated Capitalization Grant Under Binding Commitment at the End of SFY15	615%

Deposits of the state match

The state must deposit its 20 percent match of the Capitalization Grant on or before the date on which each quarterly grant payment is made. Since the inception of the Revolving Fund, the Washington State Treasurer has always deposited into the Revolving Fund account a payment that totaled at least 20 percent of the federal funds on or before the date that the federal funds were deposited. Table 16, shows the SFY15 estimated schedule of payments for the FFY14 Capitalization Grant. The 20 percent state match will be deposited on or before the listed dates.

Table 16: SFY15 Schedule of Payments for FFY14 Capitalization Grant

Federal Quarter Beginning	FFY14 Title VI Grant Payments
7/1/2014	\$3,657,450
10/1/2014	\$8,534,050
1/1/2015	\$8,534,050
4/1/2015	\$3,657,450
Total	\$24,383,000

American Recovery and Reinvestment Act status

The American Recovery and Reinvestment Act (ARRA) passed by Congress in 2009 provided approximately \$68 million to the Revolving Fund. To-date all of the ARRA funds received have been distributed to high priority water quality projects. Some recipients began repayment in SFY13.

Federal requirements related to employment

Facility construction projects must comply with the federal requirements of the Revolving Fund related to employment, including Equal Employment Opportunity rules, Davis-Bacon Act wages, and Disadvantaged Business Enterprise standards. Ecology includes provisions that address these requirements in all funding agreements for facility projects.

Federal Funding Accountability and Transparency Act

The Federal Funding Accountability and Transparency Act (FFATA) applies to all projects receiving federal funds. Ecology requires funding recipients to complete a FFATA Data Collection Form, and Ecology enters information on the agreements into a national database up to the amount of the Capitalization Grant.

Federal Single Audit Act

Recipients of federal funding of \$500,000 or more must comply with the Single Audit Act. Compliance typically involves an annual audit from an independent auditor that examines the recipient's financial management and compliance with rules and conditions associated with receiving the funds. Ecology's Revolving Fund and Section 319 Programs are also subject to the Single Audit Act. Ecology is audited annually by the Washington State Auditor's Office.

State environmental review process and federal cross cutters

All facility design or construction projects receiving funding through the Revolving Fund are required to comply with the State Environmental Review Process (SERP). In addition, all wastewater facility construction projects receiving funding through the Revolving Fund must meet the federal cross cutter requirements.

Clean Water State Revolving Fund Benefits Reporting and National Information Management System databases

Ecology enters information on the environmental benefits of all projects receiving funding through the Revolving Fund into EPA's Clean Water State Revolving Fund Benefits Reporting (CBR) database. Ecology strives to enter project information into CBR the day Ecology's Water Quality Program Manager signs a Revolving Fund loan agreement.

In addition, Ecology must enter information on projects funded by the Revolving Fund into the National Information Management System (NIMS) database after the end of the SFY. Ecology enters information on the preceding SFY into NIMS by August 31 each year.

Drawing funds from the Capitalization Grant

Previous Ecology actions created a lag in spending down the Capitalization Grants resulting in several Capitalization Grants awards being open and not completely spent. Having open and unspent Capitalization Grants caused concern for EPA, as it created an inaccurate appearance that the state did not need its Revolving Fund appropriation.

Ecology worked with EPA to come up with a solution and starting in SFY12 began coding most agreements with Capitalization Grant funds rather than with principal and interest repayment funds. This approach is expected to spend the existing Capitalization Grants within the next three to four years. In SFY13 Ecology was able to spend down the 2009 and 2010 Capitalization Grants. Currently the 2011, 2012, and 2013 Capitalization Grants remain open. Once Ecology has spent down the open Capitalization Grants, Ecology will shift more loan funding to principal and interest repayments. The goal is to spend the Capitalization Grant in the same year it is awarded to Ecology.

All draws from the Capitalization Grant are drawn at 83.33 percent Federal and 16.67 percent state match.

Funding Programs Changes and Development

Revolving Fund administration charge

On May 1, 2013, the Governor signed Substitute House Bill (SHB) 1141. SHB 1141 amended Chapter 90.50A RCW to authorize Ecology to assess an administration charge on each Revolving Fund loan at the point the loan enters repayment status. SHB 1141 also created a new account in the Washington State Treasury. In order to implement the newly enacted law, Ecology amended Chapter 173-98 WAC. The amended rule became effective on December 21, 2013.

The Office of Financial Management established Account 564 as the new account for Revolving Fund Administration Charge revenue and expenditure activity. The new account must be used to track Revolving Fund Administration Charge revenue and expenditures once loans enter repayment. Administration expenditures will be paid with a mix of Capitalization Grant administration funds from Account 727 and Account 564 until there is sufficient revenue to pay for administration costs from Account 564. Once Account 564 revenue is sufficient to cover all Revolving Fund administration costs (estimated to occur in SFY18) the entire Capitalization Grant will be passed through to local governments for high priority water quality projects.

The administration charge is currently 1 percent. It is applied to the declining loan balance on all loans that enter repayment after December 21, 2013. The administration charge does not apply to loans with interest rates less than 1 percent.

The implementation of the Revolving Fund Administration Charge will have no impact on loan recipients because the charge will be deducted from the established loan interest rate. For example, if a loan has an “effective” interest rate of 2.7 percent, that rate would include 1.7 percent in interest that goes into the Revolving Fund account (Account 727) and a 1 percent administration charge that goes into the new administration account (Account 564). The payments would remain exactly the same.

Account 564 is projected to have a balance of \$6,800 by the end of SFY14. By the end of SFY15 the balance in Account 564 is projected to be \$481,800.

Revolving Fund requirements for “American iron and steel” products

On January 17, 2014, H.R. 3547, “Consolidated Appropriations Act, 2014” was enacted. The law provides appropriations for the Revolving Fund for FFY14. It also includes new requirements for Revolving Fund recipients to purchase iron and steel products that are produced in the US (American Iron and Steel or AIS). Specific language can be found in Division G, Title IV, under the heading, "Use of American Iron and Steel".

EPA prepared guidance on the AIS provisions, and Ecology prepared a focus sheet. EPA’s guidance can be found at: http://water.epa.gov/grants_funding/upload/AIS-final-guidance-3-20-14.pdf. Ecology’s focus sheet can be found at: <https://fortress.wa.gov/ecy/publications/publications/1410025.pdf>. The following bullets provide some key details.

- The law defines iron and steel products as, “...*the following products made primarily of iron or steel: lined or unlined pipes and fittings, manhole covers and other municipal castings, hydrants, tanks, flanges, pipe clamps and restraints, valves, structural steel, reinforced precast concrete, and construction materials.*”
- The requirements apply to the construction, alteration, maintenance, or repair of a “treatment works.” This includes wastewater and stormwater facility projects and some onsite sewage system projects.
- The requirements apply to any funding agreement signed on or after January 17, 2014. They do not apply to any funding agreement signed before that date.
- The requirements do not apply to a project if Ecology approved the engineering plans and specifications before January 17, 2014.
- The requirements do not apply to strictly planning or design projects. However, potential funding applicants doing planning and design projects need to be aware that the requirements may apply to future construction projects.
- The requirements do not apply to activity projects.
- The requirements do not apply to standard refinancing if construction was completed before January 17, 2014.
- Waivers from the requirements are possible if the EPA Administrator finds that one of the following conditions exists:

- The application of the requirements would be inconsistent with the public interest.
- Iron and steel products are not produced in the US in sufficient and reasonably available quantities and of a satisfactory quality.
- Inclusion of iron and steel products produced in the US will increase the cost of the overall project by more than 25 percent.
- The requirements apply no matter how much of the project is funded by the Revolving Fund and regardless of whether the funding is from the Capitalization Grant, the state match, principal and interest repayments, or any other source of the Revolving Fund.
- For projects that began construction before January 17, 2014, the requirements will apply to all construction that occurs on or after January 17, 2014, through completion of construction unless Ecology approved the engineering plans and specifications prior to January 17, 2014.

Public Outreach and Draft List Comment Period

Public outreach

Ecology conducted a comprehensive outreach campaign for the SFY15 funding cycle that included notifications to over 2,200 stakeholders. Ecology also held four applicant workshops where staff presented information on the funding programs and the application process. The workshops were held:

- October 8, 2013, in Spokane Valley.
- October 9, 2013, in Ellensburg.
- October 15, 2013, in Olympia.
- October 17, 2013, in Everett.

Ecology also conducted outreach at conferences, meetings, technical workgroups, and information-sharing sessions whenever possible.

Public meeting and comment period

Ecology held a public meeting on the Draft List on March 7, 2014, at 1:00PM at the Pierce County Library, PAC - Processing and Administrative Center, 3005 112th Street East, Tacoma, WA 98446.

Ecology staff presented the Draft List and discussed the project evaluation and funding cycle process. Staff also answered questions and discussed the remaining process steps and the schedule for development and publication of the *SFY15 Final Water Quality Funding Offer List and Intended Use Plan*. The meeting notice and other SFY15 funding cycle information are available at: www.ecy.wa.gov/programs/wq/funding/cycles/FY2015/index.html.

Ecology accepted written comments on the Draft List until 5:00pm on March 24, 2014. Ecology received a total of 14 comments on the Draft List. The comments and Ecology's responses are provided in Appendix 4.

Changes Since the Draft List

Key changes between the Draft List and the Final List are briefly described below.

General

- Per EPA request Ecology revised Table 4 (Revolving Fund Funding) to include cumulative figures rather than annual figures.
- Per EPA request Ecology added a brief discussion in the “Allocation process” subsection regarding what happens if an applicant declines an offered Revolving Fund loan or if Revolving Fund funds otherwise become unobligated.
- Added a new Table 12 and renumbered previous Tables 12 through 15. The new Table 12 provides information on the offered funding for CWA Section 319 projects funded through the Revolving Fund.
- Ecology received 14 comments during the public comment period on the Draft List. Appendix 4 was added to list the comments and provide Ecology’s responses.

Revolving Fund

- The FFY14 Capitalization Grant for the Revolving Fund was estimated to be \$27,000,000. This was revised to \$24,383,000 based on the FFY14 Capitalization Grant allocation. This changed the GPR and state match tied to the grant amount. It also changed the set-asides tied to the GPR amount.
- The FFY14 ASR was estimated to be \$1,093,620 - \$1,640,430. This was revised to \$1,326,866 - \$1,990,299 based on the FFY14 Capitalization Grant allocation. Ecology proposed \$1,104,350 in forgivable principal loans, and all of it was for preconstruction projects in communities with populations of less than 25,000 and MHI’s less than 80 percent of the State MHI. The amount of forgivable principal loans proposed for preconstruction projects was the maximum amount allowed for the projects. In addition, all of the projects meeting the financial hardship criteria are being offered the maximum amount of Centennial Program grant. So in order to meet the ASR requirements, Ecology is offering \$766,117 in forgivable principal loan to the highest rated GPR-eligible project (WQC-2015-KCoNRP-00002).
- The funding offered to projects WQC-2015-KCoNRP-00002, WQC-2015-KCoNRP-00005, and WQC-2015-KCoNRP-00004 changed because some tasks were determined to be ineligible for funding. Because project WQC-2015-KCoNRP-00004 was the highest rated project not proposed for full funding, the funds previously proposed for ineligible tasks were shifted to it.
- The GPR-eligible amount for project WQC-2015-KCoNRP-00002 was increased from \$3,064,467 to \$4,675,979.
- Project WQC-2015-SoaLak-00020 was awarded a CDBG grant of \$24,000, so Ecology reduced by \$12,000 both the loan and the forgivable principal loan offered.

- Project WQC-2015-Sprag-00127 was awarded a CDBG grant of \$24,000, so Ecology reduced by \$12,000 both the loan and the forgivable principal loan offered.
- Project WQC-2015-Okanog-00041 requested consideration of eligibility for preconstruction subsidy. Ecology agreed to the request and offered the project \$12,400 in forgivable principal loan for the preconstruction component of the Step 4 (Design and Construct) project; the standard loan amount offered was reduced by the same amount.
- Project WQC-2015-GHCoPS-00058 was reassessed for financial hardship after Ecology received new data. The result was that the Revolving Fund loan was reduced from \$1,196,018 to \$658,371, and the Centennial Program grant was increased from \$1,661,982 to \$2,199,629.
- The funding offered to project WQC-2015-Spokane-00038 was increased from \$14,618,175 to \$15,203,822. The total increase included the \$537,647 made available due to the financial hardship reassessment for project WQC-2015-GHCoPS-00058 plus the \$48,000 made available due to the reduction in funding offered to projects WQC-2015-SoaLak-00020 and WQC-2015-Sprag-00127.
- Following receipt of a public comment (see Appendix 4) the scoring for project WQC-2015-OakHar-00110 was re-evaluated. The result was to raise the overall score for the project by 40 points from 778 to 818. The new score changed the ranking of the project from 52 to 39, and thereby shifted down by one the ranking of the projects previously ranked 39 – 51. The change had no impact on funding offered to any projects.

Centennial Program

- Due to the reassessment of financial hardship for project WQC-2015-GHCoPS-00058 described above, an additional \$537,647 in Centennial Program grant is being offered to the project.

Section 319 Program

- The FFY14 grant for the Section 319 Program was estimated to be \$1,568,600. This was revised to \$1,604,900 based on the FFY14 allocation for the Section 319 Program grant. The result was to increase the amount of grant offered to project WQC-2015-TLC-00125 from \$38,130 to \$74,430, as this was the only Section 319-eligible project not proposed for full funding in the Draft List.



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Inslee takes new approach to create meaningful, effective state clean water standards

July 09, 2014

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Inslee takes new approach to create meaningful, effective state clean water standards

Gov. Jay Inslee today announced his proposed update to the state's water quality standards, saying he worked until he found a solution that advanced the values of human, environmental and economic health.

The federal Clean Water Act requires states to establish water quality standards used by state regulators to set limits for certain pollutants discharged by permitted dischargers such as local governments and some businesses. Washington's current standards were set in 1992 and focus on controlling pollution coming out of large pipes from large facilities. Inslee said the standards are out of date and the federal approach to clean water is inadequate to address today's threats to clean water.

"It is clear to me that Washington state needs to reach beyond the confines of our historical regulatory approaches and recognize how water pollution has changed in the 40 years since the

Clean Water Act became law," Inslee said. "Forty years ago we were fighting big pipes spewing toxic contaminants into our water. We've come a long way since then in getting that kind of pollution under control. Today the majority of toxic pollution comes from chemicals that are used to make so much of what we use today, from the brakes on our cars to the flame retardants in our furniture."

The primary purpose of the Clean Water Act is to ensure water is safe for its intended uses. The standards — which apply to just 96 out of tens of thousands of chemicals in daily commerce — include calculations for multiple factors, including theoretical cancer risk rates and how much fish Washingtonians consume. The federal government provides some leeway to states in determining these numbers, which have been the subject of public debate.

Current standards assume Washingtonians consume 6.5 grams of fish per day, or about one serving per month. There is widespread agreement that many people in the state consume much more fish than this, but disagreement about whether the new rule should account for the highest-consumers — such as Native Americans or those who fish for recreation — or a lower average number. The higher the fish consumption rate, the more stringent water quality rules become for businesses and local governments.

The current standards also assume a theoretical cancer risk rate of 10^{-6} , meaning that if a person were to eat a 6.5 gram serving of fish from Washington waters every day for 70 years, he or she would have a 1 in 1 million chance of developing cancer.

"Many people have seen the mandate to update our water quality standards as a choice between protecting human health or protecting the economy. I reject that choice because both values are essential to our future," Inslee said.

Inslee's proposal updates Washington's water quality standards to be more protective of those who consume 175 grams of fish per day — an increase from one serving per month to one serving per day — with a 10^{-5} cancer risk rate. In every case where this cancer risk rate would result in less protective standards than we have today, current standards will be maintained. In fact, of the 96 chemicals regulated under the rule, about 70 percent will have new, more protective standards.

A separate approach will be used for arsenic, a naturally occurring element in waters throughout the state. Because the current standard for arsenic is set below levels that occur naturally in much of our surface and ground water, the governor proposes using the federal drinking water standard for arsenic.

"Washingtonians' actual risk to cancer and other harmful effects will be reduced by this proposal," Inslee said. "We are making our waters cleaner and safer."

The governor also proposed new implementation rules that will make it possible for businesses and municipalities to comply with the more stringent requirements.

But Inslee said the state must also act on the many toxic chemicals from other unregulated sources that the Clean Water Act doesn't address. Inslee said he is calling on the Legislature

next year to pass a toxics reduction bill as part of the state's submittal to the U.S. Environmental Protection Agency.

"We could set standards at a thousand grams per day with a cancer risk rate of 10^{-20} , but it still wouldn't do anything to protect our children from exposure to too many toxics that cause neurological and reproductive damage," Inslee said. "This toxics reduction bill gives us the tools to tackle pollutants at their source and make meaningful improvements in the health of our water, our fish and our children."

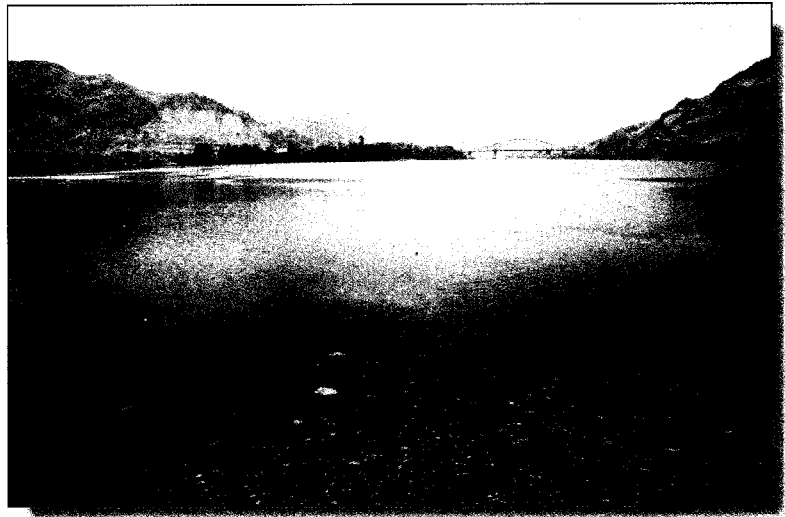
Inslee's toxic reduction package is based on five key elements:

- Immediate action by the state departments of Health and Ecology to identify actions to combat PCBs, phthalate plasticizers, toxic flame retardants and zinc.
- Removal of toxic chemicals from consumer products where they are causing pollution and safer alternatives are readily available.
- Elimination of specific sources of problem chemicals in polluted watersheds.
- Investment in more monitoring and research related to improving how we identify pollution sources and development of new prevention and cleanup strategies and technologies.
- Accountability and transparency measures to ensure resources are being prioritized effectively and measurements of progress are reported to the public and Legislature.

Inslee is directing the Department of Ecology to issue a preliminary draft rule no later than Sept. 30. He will submit legislation to the Legislature in 2015 and will make a decision on whether to adopt the final rule only after seeing the outcome of the session. He will ask the EPA to consider the benefits of the full package in determining federal approval of Washington's clean water standards.

"I believe this approach honors our commitment to keep our children healthy and protect those who regularly eat fish, and doesn't create ineffective and undue requirements on a small number of businesses and governments," Inslee said. "I look forward to working with legislators, businesses, tribes, health care professionals and others to ensure we do the right thing for Washington state and work together for successful implementation of this integrated plan."

Policy brief: www.governor.wa.gov/documents/2014_clean_water_policy_brief.pdf



"It is clear to me that Washington state needs to reach beyond the confines of our historical regulatory approaches and recognize how water pollution has changed in the 40 years since the Clean Water Act became law."

Governor Jay Inslee

Ensuring Safe, Clean Water for Healthy People and a Strong Economy:

Updating Washington's water quality standards to meet today's toxic threats

The federal Clean Water Act requires that waterways be safe for the public's intended uses. If a lake is used for swimming, it needs to be clean enough that people can swim in it safely. If people eat fish from a lake or bay, the fish need to be safe enough to eat. How a water body is used helps determine how clean it needs to be.

Washington state is in the process of updating its clean water standards, as required under the Clean Water Act. If the state does not act soon, the federal government could step in and impose its own standards on Washingtonians.

Our water quality regulations, which are designed to protect Washington's water bodies, apply to "permitted dischargers," or those facilities owned by businesses or local governments that discharge pollution to Washington waters. These facilities are regulated through permits that control how much pollution they are allowed to discharge.

When the Clean Water Act was passed more than 40 years ago, the main concern was uncontrolled pollution coming out of large pipes from large facilities. Today, pollution from those facilities is controlled through a mature regulatory system and technological responses. While there's more work to be done, we've come a long way. Today, our bigger concern is the uncontrolled release of chemical pollutants that come from

diffuse, largely unregulated sources — from the brakes on our cars to the flame retardants in our furniture. Under the old regulatory approach, we would continue to ratchet down limits for permitted facilities without getting at the real problem and without adequately protecting Washingtonians from real toxic threats. It's time for a new approach.

Governor Inslee's approach

In updating Washington's water quality standards, Governor Jay Inslee believes we must find an approach that recognizes how water pollution has changed in the four decades since the Clean Water Act became law. And he has insisted that Washington's approach must do three things: protect all Washingtonians, including those who eat a lot of fish; protect clean water; and protect our economy. Choosing between these priorities is not an option. After close study and much work, the Governor has charted an innovative new course that accomplishes this goal by tightening standards to protect high consumers of Washington fish and going after toxic pollution at its source while making it possible for businesses and local governments to meet the new standards.

Revising our water quality standards

Current standards — set in the early 1990s — assumed that people eat 6.5 grams of Washington fish per day, or about a serving a month. We know that many people in this state — such as Native Americans and recreational fishers — eat much more fish than this. Our regulations need to reflect this fact and protect all Washingtonians.

Under the Governor's approach, water quality standards will be designed to protect people who eat 175 grams (about one serving) of Washington fish per day, instead of today's unrealistically low rate.

The state's cancer risk rate will be set at 10^{-5} , meaning that if a person were to eat a 175-gram

serving of fish from Washington waters every day for 70 years, he or she would have a 1-in-100,000 chance of developing cancer. In about 70 percent of cases, standards will be more protective. In other cases where this cancer risk rate would result in a less protective standard than we currently have, today's standards will be maintained.

A separate approach will be used for arsenic, which is a naturally occurring element in waters throughout the state. Our current standard for arsenic is not attainable and essentially meaningless because it is set below levels that occur naturally in much of our surface water and groundwater. Governor Inslee proposes to use the federal drinking water standard for arsenic. By setting the new standard at drinking water levels, industrial dischargers won't be asked to meet an impossible standard.

Ensuring compliance with standards is possible

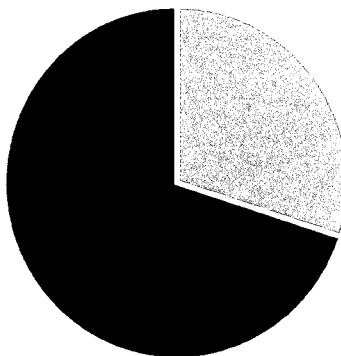
In some cases it will be difficult or impossible to meet these new standards without regulatory tools that recognize this challenge. A permitted discharger may be required to comply with limits on a chemical even if it isn't the source of that chemical in the discharge. In some cases, technologies may not yet be available to remove toxics down to the standards. And in some cases, reduction efforts could take far longer than the standard five-year period of most permits. The Governor's proposal includes implementation tools to address these situations while requiring dischargers to take all appropriate actions to reduce pollution.

This will include a tool the state has never used: variances. When meeting certain standards is not possible, variances could provide municipalities and businesses the time needed to achieve compliance as long as they are taking active and consistent steps toward meeting those standards.

GOVERNOR'S PROPOSED RULE

Keeping water clean for our communities

MORE protective than
current standards for
70% of chemicals



AS protective as
current standards for
30% of chemicals

The Governor's proposed water quality rule will result in standards that are more protective for 70% of regulated toxics. A majority of those will be 2-20 times more protective.

Attacking pollution at its source

While we are increasing levels of protection on discharges from permitted facilities, the fact remains that facilities are often not the sources of the chemicals we are most concerned about. Focusing only on these facilities will have limited benefit in reducing toxics regulated under this rule and will not address the larger universe of unregulated contaminants.

Much of this unregulated pollution is simply unnecessary, existing only because there are no requirements or incentives to avoid the use of chemicals that threaten people and the environment. Governor Inslee is proposing a new approach that targets known, unregulated toxic threats, discourages introducing problem chemicals into widespread commerce when safer approaches are available, and focuses efforts to find and eliminate sources of toxic pollution across the state.

The Governor's proposal would:

1. Move immediately to combat known, high-priority pollution.

- » Direct the departments of Health and Ecology to identify and report on actions to address the following toxic threats:
 - PCBs, a toxic chemical found in fish around the state
 - Phthalate plasticizers, a suspected endocrine disruptor found in many consumer products
 - Toxic flame retardants that pose cancer and reproductive risks in the home and workplace
 - Zinc, which is harmful to aquatic invertebrates and plants and comes from sources such as roofing and tires
- » Direct the Department of Ecology to use Chemical Action Plans to identify actions to reduce threats from priority chemicals.

2. Get toxic chemicals out of consumer products.

- » Pass legislation to require industries to look for safer, alternative approaches when we identify a toxic chemical in commerce that threatens our health or environment.
- » Authorize the Department of Ecology to ban the use of certain toxic chemicals when we know that such use is creating unacceptable exposure risk and safer alternatives are available.
- » Accelerate “green chemistry” to advance the availability of safer chemicals in manufacturing processes.
- » Direct the Department of Enterprise Services to work with the Department of Ecology to provide recommendations that ensure state purchasing practices require safer products when available.

3. Find and eliminate specific sources of problem chemicals in polluted watersheds.

- » Where pollution levels are elevated, attack pollution sources — permitted and unpermitted — in partnership with local, federal and tribal governments.
- » Conduct voluntary Lean management exercises, in partnership with businesses, to eliminate the unnecessary use of toxic chemicals in industrial processes, which saves money and reduces potential pollution.

4. Fund efforts to better understand sources of toxic pollution and new technologies to address them.

- » Increase monitoring to better identify pollution sources and measure the effectiveness of cleanup actions.
- » Investigate possible sources of toxic pollution — such as certain roofing materials and associated components — to inform prevention efforts.
- » Expand research into pervious pavement, rain gardens and other technologies to reduce toxic pollution in stormwater.
- » Fund Washington State University efforts to understand why salmon die from stormwater runoff before they can spawn.

5. Provide accountability and transparency to ensure the job gets done.

- » Invite regular input from the public, stakeholders and local, federal and tribal governments to ensure we’re prioritizing the right chemicals in the right parts of the state.
- » Regularly report to the public and the Legislature on progress and obstacles, to be accountable and ensure we make real gains.

Results that count

Many have seen this issue as a choice between healthy people, clean water or the economy. By looking beyond federally mandated regulations, Governor Inslee has laid out a course that advances all three goals. This approach protects Washingtonians who eat large amounts of local fish, recognizes and responds to the changing face of toxic pollution in Washington, and confirms the need for predictability and certainty for permitted dischargers.

**MUKILTEO WATER AND WASTEWATER DISTRICT
CAPITAL PROJECTS STATUS REPORT
JULY 16, 2014**

HEADWORKS IMPROVEMENTS (PROJECT #9-11)

UNSCHEDULED CARRYOVER

Project Manager: Gil Bridges

Project complete.

MARINO AVE. PARTICIPATION AGREEMENT (PROJECT #45-13)

CARRYOVER TO 2014

Project Manager: Rick Matthews

Project complete.

AMR RADIO READ METERS (PROJECT #18-11)

Project Manager: Brian Munson

- As of the end of December, 1,618 meters have been replaced.
- An order for approximately 1,000 meters has been placed with Badger.
- We received approximately one half of the meters from Badger on February 4; installation is ongoing.
- As of the end of February, 1,679 meters have been replaced.
- As of the end of March, 1,692 meters have been replaced.
- As of the end of April, 1,895 meters have been replaced.
- As of the end of May, 1,955 meters have been updated.
- As of the end of June, 2,109 meters have been updated.

48TH PLACE MAIN AND LOOP TO CAYMUS TOWNHOMES (PROJECT #43-13)

UNSCHEDULED CARRYOVER

Project Manager: Rick Matthews

Project complete.

PAINÉ FIELD EFFLUENT METER UPGRADE (PROJECT #48-13)

CARRYOVER TO 2014

Project Manager: Rick Matthews

- Project will be re-scoped to incorporate likely Paine Field development.
- Paine Field development did not occur; the revised scope is to replace the existing meter in its same location.

WWTF ROAD IMPROVEMENTS (PROJECT #47-13)

CARRYOVER TO 2014

Project Manager: Gil Bridges

- Bids were opened on the December 17; contract awarded to low bidder Trico Companies, LLC at the Board meeting of January 2, 2014.
- District is setting up an Interlocal Agreement between the City of Mukilteo and the District to share costs on this project (the City will pay for Schedules A and C, and the District will cover Schedules B and D).
- The project should be substantially complete within 80 working days after the commencement date as stated in the Notice to Proceed.
- Interlocal Agreement document has been signed by the City of Mukilteo and the District
- Pre-Construction meeting held on February 5. Trico is scheduled to be on site by the first or second week of March.
- Trico (general contractor) is on site March 3. Started with the 30 inch stormwater line that crosses under the road at the City's trailhead and discharges to Big Gulch Creek. From there, the contractor is working up the road installing the 24 inch stormwater line and catch basins. Currently Trico is on target to have all of the stormwater line and catch basins completed by the March 21.
- Western Signal (electrical subcontractor) on site has conduit(s) ran from aerobic holding tank wall to motor control center (MCC).
- Western Signal is running behind schedule due to using material not approved for the job and now is having to redo some of their completed work.
- Project is about 15% complete.
- Trico has completed the stormwater line and catch basins from the City's energy dissipater down to the 30 inch stormwater line that crosses under our road at the bridge.
- Trico and Western Signal have completed the trenching and placement of the conduit and pullboxes from the aerobic holding tanks up to all of the well heads.
- All well pumps are discharging into new stormwater line.
- The power panel is to be shop tested at the TSI shop on the 21st of this month and installation to follow that week.
- Project is about 60% complete, with an estimated completion date of the end of April to the first week of May.
- Work on the project is complete; a short punchlist has been given to Trico; commissioning of the project occurred on May 8th.
- Job is complete except for documentation that the well modifications have been submitted to the Department of Ecology.
- G&O has submitted the record drawings to the District.

AIRPORT ROAD ISOLATION/MARINO LOOP (PROJECT #42-13)

UNSCHEDULED CARRYOVER

Project Manager: Rick Matthews

Project complete.

WEBSTER ST. WATER MAIN AND PRV (PROJECT #57-14)

Project Manager: Rick Matthews

- Staff has requested scope from G&O.
- The Board of Commissioners approved the scope of work for design and construction management services at their meeting of February 5. The project will be bid with the 3rd St. Sewer Main Replacement project (#58-14).
- Survey of site is scheduled. Staff and G&O working on design.
- Survey is complete and design scheduled to be delivered the District in May.
- G&O to deliver Preliminary Design for District review the week of May 12th.
- District and G&O have held design review meeting. G&O to revise plans and return to the District.
- The District and G&O have applied for the WSDOT permit. Plans are near 100%.

3RD ST. SEWER MAIN REPLACEMENT (PROJECT #58-14)

Project Manager: Rick Matthews

- Staff has requested scope from G&O.
- The Board of Commissioners approved the scope of work for design and construction management services at their meeting of February 5. The project will be bid with the Webster St. Water Main and PRV project (#57-14).
- Survey of site is scheduled. Staff and G&O working on design.
- Survey is complete and design scheduled to be delivered the District in May.
- G&O to deliver Preliminary Design for District review the week of May 12th.
- District and G&O have held design review meeting. G&O to revise plans and return to the District. Staff is in the process of performing field locates/exploration in the old City WWTF area as the record drawings are not accurate.
- Plans are near 100%.

WWTF ROAD AND FACILITY PAVING (PROJECT #59-14)

Project Manager: Rick Matthews

- Staff has requested scope from G&O.
- The Board of Commissioners approved the scope of work for design and construction management services at their meeting of February 5.
- Survey of site is scheduled. Staff and G&O working on design.
- Survey is complete and design scheduled to be delivered the District in May. Prior to design delivery staff and G&O will walk the alignment.
- District and G&O scheduled to walk the alignment now that the WWTF well project is completed.
- Staff and G&O walked the site for preliminary plan design. 60% plans are ready for review. DOE letter regarding petroleum contamination on the lower road was recently received. G&O in discussions with DOE regarding potential requirements. Project on hold awaiting further information.
- G&O submitted 75% plans to the District. Terracon scheduled for subsurface exploration/sampling the week of July 14th.

TELEMETRY UPDATES (PROJECT #60-14)

Project Manager: Rick Matthews

GIS SYSTEM DEVELOPMENT – PHASE 2 (PROJECT #61-14)

Project Manager: Rick Matthews

- Working with City on possible ILA for GIS assistance.
- The Board of Commissioners approved the ILA with the City of Mukilteo at their meeting of February 5, 2014.
- District staff is actively working on asset placement on Orthophoto. City of Mukilteo to make offer to GIS candidate 3/13/14. Meeting is planned with District, G&O and City employee in near future to set milestones.
- Staff met with the City to outline scheduling and billing of their GIS/CAD Technician. He will be working at the District Admin building on Wednesdays of each week starting April 16. A staff presentation on our current capabilities is scheduled for the April 16 regular Board meeting.
- District and City Staff working together one day weekly. A prioritized list of GIS software and hardware needs has been compiled. I will be reviewing the list with Jim and Sue for purchase.
- Staff has chosen software licensing to meet Districts needs. Staff is currently working on getting the software installed allowing for access by field staff. One field laptop has been ordered for testing and to verify in field data quality before additional field products are decided upon.
- The field laptop has been received. Field staff is testing capabilities, system and ideas. Staff is in the process of placing the drawings that we have electronic files for on our base map (geo-referencing). Staff is also labeling sewer pipelines with the proper diameter. Initial testing of the laptop and hardware is going well. Staff is optimistic we will be able to run our system in the field completely offline.

LIFT STATION #8 GENERATOR (PROJECT #62-14)

Project Manager: Rick Matthews

- We have had some preliminary discussions regarding needs with Eric Delfel and requested a scope of work from G&O. As this property is actually City of Mukilteo right of way we will need to coordinate location with them.
- Survey of site is scheduled. Staff and G&O working on design.
- Staff and G&O scheduled to meet and discuss design the week of April 14-18.
- Price of the project has exceeded the point to where staff no longer recommends going forward with an onsite generator. A new direction, utilizing a trailer-mounted generator, will be presented to the Board for discussion at its meeting of May 21.
- The Board has authorized staff to change the project scope. Staff will pursue the purchase of a new 150 Kw generator, the repair of the existing 100 Kw generator and the installation of a manual transfer switch and quick connect at LS 8. Staff is obtaining quotes through the HGAC for two different 150 Kw trailer mounted generators. Staff is obtaining additional quotes for the repair of the 100 Kw, including the State Bid. G&O is actively working on the LS 8 project design.
- Staff put a bid package together and bid the 150 KW Trailer Mounted Generator. EC Power Systems was awarded the bid at the July 7, 2014 Board Meeting. Contracts have been executed. Staff is verifying the item is on order. G&O working on electrical design.

SEWER CAMERA AND TV VAN (PROJECT #63-14)

Project Manager: Brian Munson

- Staff received a demonstration from Cues and was very impressed with the equipment. We have scheduled a demonstration with Owen Equipment to compare the Envirosite system with the Cues system.
- Staff has seen a demo on the Envirosite system. They did not have the new software to demonstrate the report writing capabilities at the demo. We will be attending a meeting with Kirkland Utilities on March 11 to see the new software in action and to discuss with Kirkland their experience purchasing via HGAC which is a nationwide government procurement service. We are also researching two other systems manufactured by Cobra Technologies and IBAK.
- District staff attended an informational meeting at the City of Kirkland on March 11 for an introduction to the WinCan software for CCTV systems. Envirosite uses this software for their equipment and we are leaning heavily towards this system. We are in the process of signing up to be members of the HGAC in order to utilize existing bids for the competitive bidding process and purchase the equipment that would best suit the needs of the District.
- Staff has narrowed the search down to the Cues system. Request for authorization to proceed with the purchase will be provided at the 16 April Board meeting.
- Vehicle has been purchased, and is scheduled for delivery in August 2014.
- The camera van is scheduled to ship August 20. We will get a set of layout drawings to approve or note changes in late July or early August. When we get the drawings to approve, we will get a much closer ship date.
- Staff has received a new delivery date, currently September 8.

VEHICLE PURCHASE (PROJECT #64-14)

Project Manager: Brian Munson

Project complete.

**MUKILTEO WATER AND WASTEWATER DISTRICT
2014 ADOPTED CAPITAL BUDGET**

PRIORITY*	PROJECT NAME	PROJ ID NO.	C/O		COMP PLAN NO.	ACTUAL		2014		PROJECT TO DATE			
			FROM 2013?	PROJ MGR		START DATE	COMPLETE DATE	AMOUNT BUDGETED	SPENT TO DATE	AMOUNT BUDGETED	SPENT TO DATE		
	PROJECT:												
1	EVERETT WPCF IMPROVEMENTS	22-83	Yes	Jim	WPFC-1	ONGOING	ONGOING	884,300	27,671	1,633,600	724,875		
1	MARINO AVE PARTICIPATION AGREEMENT	45-13	Yes	Rick	N/A	3/2013	5/2014	72,400	72,056	144,800	72,056		
1	WWTF ROAD IMPROVEMENTS	47-13	Yes	Gil	N/A	1/2013		490,000	477,034	490,000	1,028,744		
1	PAINE FIELD EFFLUENT METER UPGRADE	48-13	Yes	Rick	N/A			55,200	-	55,200	-		
2	WEBSTER ST WATER MAIN & PRV	57-14		Rick	D-7	2/2014		470,000	20,959	470,000	20,959		
1	3RD ST SEWER MAIN REPLACEMENT	58-14		Rick	GV-1	2/2014		200,000	21,439	200,000	21,439		
2	WWTF ROAD & FACILITY PAVING	59-14		Rick	N/A	4/2014		324,700	4,800	324,700	4,800		
1	TELEMETRY UPGRADES	60-14		Rick	G-3	placeholder		20,000	-	20,000	-		
2	GIS-PHASE 2	61-14		Rick	G-4	1/2014	ONGOING	92,900	2,741	92,900	2,741		
	EQUIPMENT:												
2	AMR METERS	18-11	Yes	Kevin	G-7	6/2012	ONGOING	260,000	188,564	960,800	690,368		
1	EMERGENCY PORTABLE GENERATOR	62-14		Rick	LS-5	6/2014		175,000		175,000	-		
2	SEWER CAMERA & TV VAN	63-14		Kevin	N/A	4/2014		158,000		158,000	-		
	VEHICLES:												
3	2 VEHICLES	64-14		Kevin	N/A	1/2014	3/14	65,000	27,750	65,000	27,750		
	UNSCHEDULED CARRY-OVERS:												
	WATER SYS IMPROVE-AIRPORT RD	42-13	Yes	Rick	D-3	2/2013	4/2/14	-	36,042	210,000	113,101		
	WATER SYS IMPROVE-48TH PL MAIN	43-13	Yes	Rick	D-5	2/2013	4/2/14	-	168,498	261,500	195,903		
	HEADWORKS	9-11	Yes	Gil	WWTF-1	6/2010	4/16/14	-	62,445	12,161,200	5,534,386		
	OUTFALL	28A-11	Yes	Gil	WWTF-4	9/2008	4/2014	-	7,208	1,285,400	948,268		
	CLARIFIER/DIGESTER.	46-13	Yes	Gil	WWTF-5,8,11	2/2013	ONGOING	-	11,149	115,500	111,549		
	SCADA SYSTEM IMPROVEMENTS (WWTF)	17-11	Yes	Rick	G-2	10/2012	5/7/14	-	8,184	1,340,100	946,243		
TOTAL BUDGETED AND UNBUDGETED										3,267,500	1,136,539	20,163,700	10,443,181

Am Test Inc.
13600 NE 126TH PL
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ANALYSIS REPORT

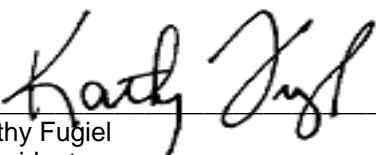
Mukilteo Water&Wastewater Dist
PO Box 260
Mukilteo, WA 98275
Attention: Gil Bridges
Project Name: 2014 Monthly EFF & VAR
All results reported on an as received basis.

Date Received: 06/11/14
Date Reported: 7/ 5/14

AMTEST Identification Number 14-A008491
Client Identification 2014 June Eff
Sampling Date 06/10/14, 09:00

Nutrients

PARAMETER	RESULT	UNITS	Q	D.L.	METHOD	ANALYST	DATE
Total Nitrogen (TKN)	3.48	mg/l		0.1	EPA 351.2	AB	06/23/14
Nitrate + Nitrite	1.4	mg/l		0.02	EPA 353.2	MR	07/01/14



Kathy Fugiel
President



Week	Monitoring Point	Total Suspended Solids (TSS)	Fecal Coliform #/100ml 3/Week Grab	pH Standard Units 5/Week Grab	Temperature Measured Degrees C 5/Week Measurement	Ammonia Total Milligrams/L (mg/L) Monthly Composite sample (24 hour)	Nitrate + Nitrite Total Milligrams/L (mg/L) Monthly Composite sample (24 hour)	TKN Total Milligrams/L (mg/L) Monthly Composite sample (24 hour)	Total Phosphorus Total Milligrams/L (mg/L) Monthly Composite sample (24 hour)	Phosphorus Soluble Reactive Milligrams/L (mg/L) Monthly Composite sample (24 hour)
		Percent Monthly Calculated								
1-Su	6/1/14	99.4		6.78	17.8	1.34				
1-M	6/2/14	98.9	1	6.70	18.1	1.40				
1-T	6/3/14	99.3	4	6.60	18.0	1.96				
1-W	6/4/14	97.0	5	6.74	18.1	1.37				
1-Th	6/5/14	97.9		7.05	18.3	1.20				
1-F	6/6/14	97.7		6.29	18.5					
1-Sa	6/7/14	97.0		7.39	18.4					
2-Su	6/8/14	97.5		7.56	18.5	0.95				
2-M	6/9/14	97.1	3	6.91	18.8	1.19				
2-T	6/10/14	97.7	10	6.88	19.0	1.75	1.4	3.48	2.38	2.05
2-W	6/11/14	96.3		6.20	19.1	1.55				
2-Th	6/12/14	98.6	21	7.24	18.9	1.41				
2-F	6/13/14	97.4		6.53	19.5					
2-Sa	6/14/14	98.8		6.77	18.9					
3-Su	6/15/14	98.0		6.81	18.6	0.94				
3-M	6/16/14	97.6	5	7.08	18.8	1.35				
3-T	6/17/14	98.4	5	6.33	18.7	1.23				
3-W	6/18/14	98.0	18	6.25	18.9	1.64				
3-Th	6/19/14	98.0		6.20	18.9	1.15				
3-F	6/20/14	97.5		6.77	18.9					
3-Sa	6/21/14	97.2		7.22	18.8					
4-Su	6/22/14	97.9		7.44	18.8	1.11				
4-M	6/23/14	97.5	6	6.83	18.9	0.24				
4-T	6/24/14	96.8		6.27	18.8	1.16				
4-W	6/25/14	95.8	9	6.41	19.0	1.08				
4-Th	6/26/14	96.7	4	6.81	19.4	0.80				
4-F	6/27/14	96.3		6.55	19.5					
4-Sa	6/28/14	98.9		6.80	19.5					
5-Su	6/29/14	98.3		7.06	19.6	0.73				
5-M	6/30/14	98.8	3	7.02	19.4	0.89				
Minimum				6.20 >= 6.0 (RO)						
Average		98 >= 85			18.8 Report Only	0.88 Report Only	1.40 Report Only	3.48 Report Only	2.38 Report Only	2.05 Report Only
Weekly Average										
Maximum				7.56 <= 9.0 (RO)	19.6 Report Only					
Monthly geometric mean			5.7 <= 200							
Weekly Geometric Mean			8.6 <= 370							



I certify under penalty of law, that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system or those persons directly responsible for gathering information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

Brianna Sheppard

Signature

7/9/2014 4:12:50 PM

Date

Washington Department of Ecology Submission Cover Letter

WQWebDMR - DMR Submission Id: 1469869 - 7/9/2014 4:12:51 PM

Report Received Dated:

7/9/2014 4:12:52 PM

Company Name	Signer Name	System Name
Mukilteo Water & Wastewater District	Brianna Sheppard	WQWebPortal

Attachments:

Document Name of Description	Document File Name
Submitted Copy of Record for Mukilteo Water Wastewater District	Copy of Record MukilteoWaterWastewaterDistrict Wednesday July 09 2014
2014 JUNE EFF	2014 06 JUNE B14-A008491

Attestation Agreed to at Signing:

I certify I personally signed and submitted to the Department of Ecology an Electronic Signature Agreement. I understand that use of my electronic signature account/password to submit this information is equal to my written signature. I have read and followed all the rules of use in my Electronic Signature Agreement. I believe no one but me has had access to my password and other account information.

I further certify: I had the opportunity to review the content or meaning of the submittal before signing it; and to the best of my knowledge and belief, the information submitted is true, accurate, and complete. I intend to submit this information as part of the implementation, oversight, and enforcement of a federal environmental program. I am aware there are significant penalties for submitting false information, including possible fines and imprisonment.

For Ecology Use Only ---



XaJcXjMZ/1i+0NKL8PbkjW0EOszec4VrtrPFS8ZsCNXpFLSmpbaulWZTERxIbAhmqdK59Q38sRU8
QqhaJMWk1b7oPfbfb9zRHJtsIudj0WU=