

WASHINGTON STATE  
DEPARTMENT OF  
**E C O L O G Y**

**WASHINGTON STATE DEPARTMENT OF ECOLOGY**

**WATER QUALITY FINANCIAL  
ASSISTANCE PROGRAMS  
FOR FISCAL YEAR 2008**

**CENTENNIAL CLEAN WATER PROGRAM**

**CLEAN WATER ACT SECTION 319  
NONPOINT SOURCE PROGRAM**

**WASHINGTON STATE WATER POLLUTION  
CONTROL REVOLVING FUND PROGRAM**

**FY 2008**  
**Final Offer and Applicant List**

**July 1, 2007**

**Publication No. 07-10-055**



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STATE OF WASHINGTON

## DEPARTMENT OF ECOLOGY

*PO Box 47600 • Olympia, WA 98504-7600 • 360-407-6000  
TTY 711 or 800-833-6388 (for the speech or hearing impaired)*

July 1, 2007

**Re: Centennial Clean Water Program/Federal Clean Water Act Section 319 Nonpoint Source Fund/Washington State Water Pollution Control Revolving Fund  
FY 2008 Funding Cycle  
Final Offer and Applicant List**

To Interested Persons:

I am pleased to provide you with the enclosed state fiscal year 2008 (FY 2008) Final Offer and Applicant List. This list identifies projects for funding from the Centennial Clean Water Program (Centennial), the federal Clean Water Act Section 319 Nonpoint Source Fund (Section 319), and the Washington State Water Pollution Control Revolving Fund (SRF) programs. The SRF Final Intended Use Plan (IUP), which is available separately, also includes the projects for which SRF funding is offered. As in past years, there were many important water quality projects proposed but limited funds available. The projects offered funding reflect the highest priority water quality projects for the state of Washington based on Ecology's competitive rating process and Legislative direction.

If you have questions about the Centennial program or Section 319 funding, contact Jeff Nejedly at (360) 407-6566. Questions about the SRF program can be directed to Brian Howard at (360) 407-6510.

We look forward to working with local governments, tribes, and non-profit organizations on these important water quality projects and appreciate your dedication to propose and conduct projects designed to improve and protect the quality of our state's waters.

Sincerely,

David C. Peeler  
Water Quality Program Manager

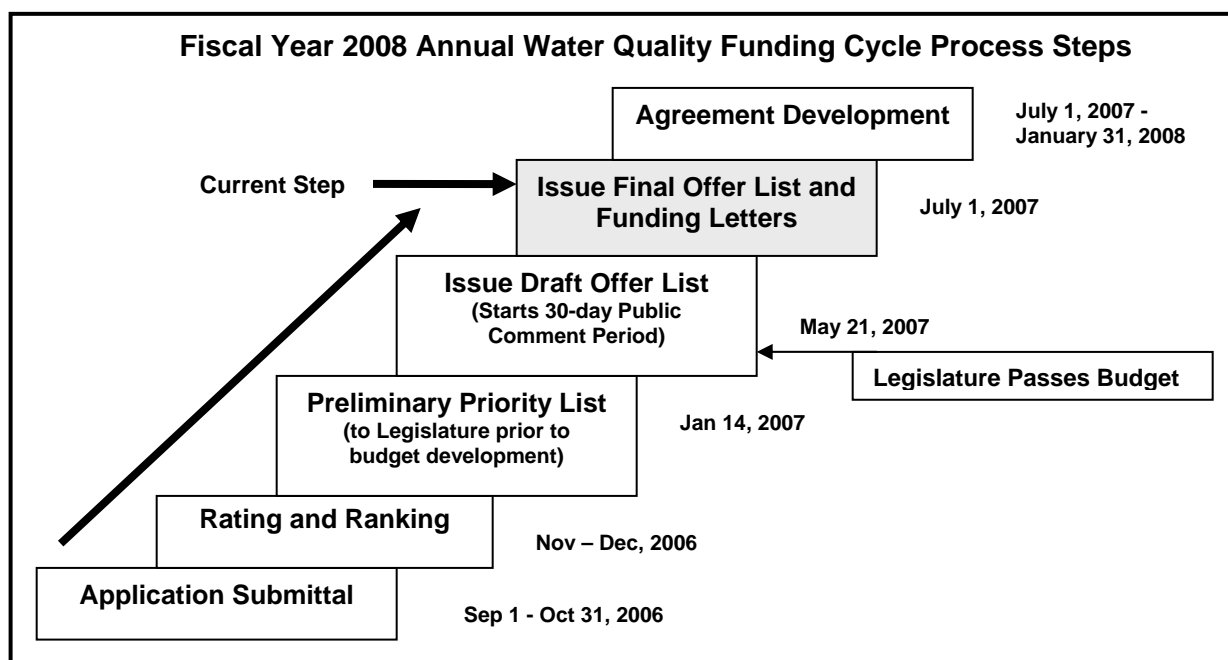
Enclosure

## FY 2008 Final Offer and Applicant List Development Process

This document presents the combined state fiscal year 2008 (FY 2008) Final Offer and Applicant List, including response to comments received on the Draft Offer and Applicant List during the 30-day public comment period. The list represents the culmination of the funding cycle process for the distribution of water quality funding from three fund sources:

- Centennial Clean Water Program (Centennial),
- Federal Clean Water Act Section 319 Nonpoint Source Program (Section 319), and
- Washington State Water Pollution Control Revolving Fund Program (SRF).

A separate document, the State Revolving Fund Final Intended Use Plan, is issued in conjunction with this combined funding list and provides a summary of the SRF program and proposed projects. The following figure provides an overview of the FY 2008 funding cycle process and schedule.



Ecology is committed to negotiating and signing funding agreements by January 31, 2007. In order to meet this timeline Ecology asks funding recipients to work with Ecology staff to negotiate and draft funding agreements as soon as possible to ensure timely use of limited state and federal funds and the achievement of environmental improvements. Funding offers expire on June 30, 2008.

## Funding Priorities

Ecology is tasked with leveraging available grant and loan funds to meet numerous water quality priorities across the state. Priority needs range from stream restoration and protection projects, to the construction of wastewater treatment plant upgrades in small financially distressed communities, to the design and construction of new wastewater treatment plants in large urban areas. Meeting these needs becomes a challenge as funding levels from state and federal programs decline, while the demand for clean water projects continues to grow.

To maximize the effective and efficient use of all available funds, Ecology staff develop a statewide priority list of water quality projects by evaluating and ranking project proposals. Ranking is based on

criteria established in statute, rule, guidelines, and recommendations from other state agencies. The principal rating and ranking criteria include:

- The overall water quality and public health problem and the proposed solution.
- Water quality impairments to designated uses (e.g., drinking water, aquatic habitat, shellfish, and recreation).
- Water quality goals and the measures of success (what will be accomplished and how results will be measured).
- Local government initiatives to ensure success (e.g., what other projects have been accomplished and what government and public support exists for the project).
- State or federal mandates what the project addresses (e.g., permit requirements, enforcement orders).
- Readiness to proceed (e.g., technical prerequisites – planning, design).
- Local priority setting process – ranking by local watershed agencies and groups.

## **Water Quality Funding Sources and Distribution**

Ecology administers three sources of competitive funding for water quality projects.

- Centennial receives money from the State Building Construction Account (bonds) and Water Quality Account (cigarette tax dedicated to water quality).
- Section 319 is allocated through the General Fund - Federal (through the Environmental Protection Agency [EPA]).
- SRF is supported by EPA Capitalization grants, state matching funds, and principal and interest repayments.

The state Legislature appropriates funds for the Centennial and SRF programs through the capital budget, and the Section 319 program through Ecology's operating budget.

The 2007-09 biennial budget provides water quality funding for two funding cycles during the biennium for FY 2008 and FY 2009. After legislative provisos are accounted for, the funding levels for each fiscal year are based on splitting the remaining biennial appropriation approximately in half. This provides competitive funds to be available for each annual funding cycle. Funding levels in the second half of the biennium are subject to legislative modifications that may occur during the 2008 Legislative session and supplemental budget process.

Funds are distributed to projects from each of the three funding programs based on project priority, project type (activity or facility), funding eligibility, and the following funding distribution criteria provided in statute, rule, and program guidelines:

- Centennial (competitive grant and loan funds available)
  - 1/3 of the funds reserved for nonpoint activity type projects.
  - 2/3 of the funds reserved for financial hardship community grants for facility construction projects (matching SRF loan required).
  - If funds remain in either the nonpoint or hardship categories, the unused portion can be rolled over to the other category to fund additional projects.
- Section 319 (grants)
  - 100 percent to nonpoint activity projects that meet state and federal criteria

- SRF (loans)
  - 80 percent designated for facility projects.
  - 20 percent designated for nonpoint source activity projects.

This combination of factors resulted in the distribution of grant and loan funds presented in this FY 2008 Final Offer and Applicant List.

## **FY 2008 Final Offer and Applicant List Summary**

Ecology received 85 applications, plus legislative provisos and prior commitments, amounting to more than \$210 million of needs for water quality grant and loan projects. Based on the funding provided by the state's 2007-09 biennial budget and the Congressional federal budget, Ecology is offering funds to 48 projects totaling approximately \$113 million. The attached table provides a list of the FY 2008 projects in priority order and proposed funding. Maps of project locations and brief project descriptions are also included following the list of projects.

The following is a summary of the funding distribution for the FY 2008 funding cycle:

- Centennial — Competitive funding of \$10.6 million available:
  - \$3.5 million (1/3 for nonpoint activity type projects).
  - \$7.1 million (2/3 for financial hardship community grants for facility projects).
- Centennial — Proviso funding of \$31 million:
  - \$5 million for Spokane County/City.
  - \$2.5 million for small community financial hardship grants for facility construction projects to communities under 5000 in population (distributed in priority order).
  - \$20.5 million for 9 projects identified by the Legislature.
  - \$3 million to fund a Hood Canal on-site septic system repair and replacement program.
- Section 319 — \$1.9 million available:
  - \$1.9 million for nonpoint activity projects.
- SRF — \$65.8 million available:
  - \$52.6 million (80 percent designated for facility projects).
  - \$13.2 million (20 percent designated for nonpoint source activity projects).

Based on the above funding levels, legislative provisions, and the ranked list of projects, the following are offered funding:

- Six financially distressed communities are offered a combination of Centennial grants, totaling \$9.6 million, and SRF loans, totaling \$15.1 million, for wastewater treatment facility construction. These communities are:
  - City of Brewster
  - City of Warden
  - City of Shelton
  - Town of Friday Harbor
  - City of Toppenish
  - Coulee City
- Thirteen nonpoint activity projects are offered Centennial grants, totaling \$3.5 million.

- Seven nonpoint activity projects are offered Section 319 grants, totaling \$1.9 million.
- Seven non-hardship communities are offered SRF loans for the planning, design, and construction of wastewater treatment facilities, totaling \$29.7 million.
- Three hardship communities, Cheney, Cusick, and Mason County, are offered SRF loans at zero percent interest for construction of wastewater treatment facilities, totaling \$13.6 million.
- Two nonpoint activity projects are offered SRF loans, totaling \$3 million.
- Nine Legislative provisos are offered Centennial grants for wastewater projects.
- One Legislative proviso is offered to Kitsap County to fund the Hood Canal on-site septic system repair and replacement pilot program.

These proposed projects address issues such as:

- Wastewater treatment plant upgrades to meet permit requirements, including water reclamation and re-use facilities.
- Sewer collection system improvements and combined sewer overflow correction.
- On-site septic system surveys and repair and replacement.
- Water pollution cleanup planning and implementation.
- Riparian (streamside) restoration and implementation of agricultural best management practices.
- Stormwater management planning and implementation.
- Public information and education.
- Groundwater protection.
- Water quality data collection and monitoring.

## Response to Comments

During the 30-day comment and review period, May 21 through June 21, 2007, Ecology received three external comment letters on the Draft Offer and Applicant List. In addition, Ecology noted one change to the SRF funding availability, as described below.

### Comments from External Parties:

1. Don MacDonald, Director of Public Works, City of Cheney, FP08036/Cheney WWTP Expansion (Hardship)

**Comment:** Mr. MacDonald commented on the impacts to the City that resulted from the reduction in competitive funds available to projects on the ranked list. Competitive funds were reduced due to Legislative provisos, which allow projects to be funded outside of the competitive rating and ranking process. Having to pay the full expense of the project through loan debt presents a serious financial burden on ratepayers and may hamper the City's ability to address non-point source discharges and Total Maximum Daily Load (TMDL) issues for the Spokane River. Given this situation, Mr. MacDonald requested that Ecology give the City preferential status for hardship grant funding on the next list (FY 2009).

Mr. MacDonald stated that the City is now planning the project in two phases and is hoping to obtain hardship grant funding for the second phase of the project, and is appreciative that the City can reapply for grant funding consideration in the upcoming funding cycle.

**Response:** Ecology appreciates the comments provided and agrees that legislative provisos impact the projects that have gone through the competitive application process, met screening criteria, and competed for funding. Ecology is pleased to be able to offer the City a zero percent interest loan for the entire project cost, but recognizes the financial burden on ratepayers in this financially distressed community.

Ecology disagrees with providing preferential status to the City for its project in next year's funding process. The City has the opportunity to re-submit its application for rating and ranking and must re-compete for the funds available in the FY 2009 process. This maintains Ecology's primary objective of funding the highest priority water quality projects each year.

2. Richard T. Hoey, Director of Water Resources, City of Olympia, FP08031/East Olympia Groundwater Quality Protection

**Comment:** Mr. Hoey commented on the reduction in competitive funds available to projects on the list due to Legislative provisos. This situation resulted in the City's East Olympia Groundwater Quality Protection project going unfunded. He requests that the Legislature provide adequate levels of funding in the future to cover those applicants that follow the application and screening process and are identified in the Preliminary Priority List. Mr. Hoey requests that Ecology give the City preferential status for its project in the next funding cycle, FY 2009.

Mr. Hoey asks that Ecology stress with the Legislature the importance of honoring the program's screening process and maintaining its integrity.

**Response:** Ecology appreciates the comments provided and agrees that legislative provisos impact the projects that have gone through the competitive application process, met screening criteria, and competed for funding. Ecology plans on increasing its level of communication to the Legislature in the coming year on the importance of the competitive process and maintaining its integrity.

Ecology disagrees with providing preferential status to the City for its project in next year's funding process. The City has the opportunity to re-submit its application for rating and ranking and must re-compete for the funds available in the FY 2009 process. This maintains Ecology's primary objective of funding the highest priority water quality projects each year.

3. Karen Bishop, District Manager, Whidbey Island Conservation District, FP08011/Whidbey LID Stormwater Remediation Project

**Comment:** Ms. Bishop submitted comments on the Centennial grant process. She states that the existing rating and ranking process works well but is undermined when Legislative members separately identify projects to fund that have not gone through the screening and competitive process.

Ms. Bishop also recommends that hardship factors currently used for determining grant funding for facility construction should be extended to include projects addressing nonpoint source pollution activities.

**Response:** Ecology appreciates the comments provided by Ms. Bishop and agrees that Legislative provisos impact the projects that have gone through the competitive application process, and may lead potential applicants toward lobbying for funds rather than competing through the well established process.

Ecology has in the past considered the question of having a hardship factor for nonpoint activity type projects, most recently during the Centennial rule revision process and application redevelopment. Although these discussions occurred, the higher grant percentage allowed for nonpoint activities and the flexible in-kind matching contribution outweighed the consideration of having a hardship provision.

**Department of Ecology Initiated Comments:**

1. During the 30-day public review and comment period, \$4,802,360 was deobligated from previous SRF loan recipients. Those funds were added to the proposed amount shown on the Draft Offer and Applicant List. The added availability of loan funds affects one project that will receive a higher loan offer, as follows:

Lake Stevens Sewer District, FP08045/Sunnyside Wastewater Treatment Facility  
(Construction)

SRF Funds Proposed	SRF Funds Offered
\$9,167,085	\$13,969,445

## Contacts

If you have questions about the Centennial or Section 319 program, please contact Jeff Nejedly at (360) 407-6566 or by e-mail at [jnej461@ecy.wa.gov](mailto:jnej461@ecy.wa.gov). Questions about the SRF program can be directed to Brian Howard at (360) 407-6510 or by e-mail at [brho461@ecy.wa.gov](mailto:brho461@ecy.wa.gov).

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**Fiscal Year 2008 Final Offer and Applicant List**  
**Centennial Clean Water Fund (Centennial), Clean Water Act - Section 319 Nonpoint Source Fund (Section 319),**  
**and Washington State Water Pollution Control Revolving Fund (SRF)**

Application Number	Applicant Name	Project Title	Rank	Local Priority Points	Total Points	Grant Funds Requested	Loan Funds Requested	Proposed Centennial Funding	Proposed Section 319 Funding	Proposed SRF Funding	Loan Term (yrs)	Loan Interest Rate	Foot notes
FP08EPG01	Spokane County/City	Spokane Rathdrum Prairie Aquifer	N/A			\$5,000,000	\$0	\$5,000,000	\$0	\$0			1
FP08SP01	Kitsap County	Hood Canal On-Site Sewage System Repair	N/A	0		\$3,000,000	\$0	\$3,000,000	\$0	\$0			2
FP08SP02	Adams - Lincoln	Adams - Lincoln Groundwater Mapping	N/A	0		\$2,000,000	\$0	\$2,000,000	\$0	\$0			1
FP08SP03	Carnation, City of	Wastewater treatment system	N/A	0		\$3,000,000	\$0	\$3,000,000	\$0	\$0			1
FP08SP04	Mansfield, Town of	Wastewater treatment upgrade	N/A	0		\$960,000	\$0	\$960,000	\$0	\$0			1
FP08SP05	Rock Island, City of	Wastewater treatment system	N/A	0		\$870,000	\$0	\$870,000	\$0	\$0			1
FP08SP06	Enumclaw, City of	Wastewater treatment system	N/A	0		\$750,000	\$0	\$750,000	\$0	\$0			1
FP08SP07	Snohomish, City of	Wastewater treatment system	N/A	0		\$4,925,000	\$0	\$4,925,000	\$0	\$0			1

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FP08SP08	Freeland Sewer District	Wastewater treatment	N/A	0		\$1,000,000	\$0	\$1,000,000	\$0	\$0			1
FP08SP09	Clark Co Regional Sewer Cooperative	Wastewater treatment	N/A	0		\$4,000,000	\$0	\$4,000,000	\$0	\$0			1
FP08SP10	Warden, City of	Wastewater treatment	N/A	0		\$3,000,000	\$0	\$3,000,000	\$0	\$0			1
FP08C06086	Brewster, City of	Wastewater Treatment Plant Upgrade Phase II	N/A	0		\$0	\$940,981	\$206,959	\$0	\$734,022	20	0	14,16
FP08C07004	King County DNR - WwT Div.	Brightwater Marine Outfall	N/A			\$0	\$4,002,626	\$0	\$0	\$4,002,626	20	2.6	3, 14
FP08C07026	Warden, City of	Warden Water Reclamation Facility (Hardship)	N/A			\$2,309,717	\$8,822,000	\$2,309,717	\$0	\$0			4
FP08029	King County DNR - WwT Div.	Carnation Wastewater Treatment Facility	1	90	844.0	\$0	\$14,085,238	\$0	\$0	\$14,085,238	20	3.1	14
FP08015	Shelton, City of	Goldsborough Creek Sanitary Sewer Improvements (Hardship)	2	90	832.5	\$0	\$2,919,500	\$911,839	\$0	\$2,007,661	20	0	5, 14

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FP08059	Mason County	Belfair Water Reclamation Facility Design	3	80	800.0	\$0	\$3,033,500	\$0	\$0	\$3,033,500	20	3.1	14
FP08035	Palouse Conservation District	NF Palouse River TMDL Implementation Project	4	100	778.0	\$249,750	\$0	\$0	\$249,750	\$0			
FP08079	Clark Conservation District	Rural Living for Clean Water	5	100	773.0	\$219,000	\$0	\$0	\$219,000	\$0			
FP08007	Jefferson County Public Health	Hood Canal Clean Water Project	6	100	763.0	\$434,646	\$0	\$0	\$434,646	\$0			
FP08050	Bellingham, City of	Bellingham Water Quality & Habitat Improvement	7	90	754.0	\$231,805	\$0	\$231,805	\$0	\$0			
FP08033	Walla Walla County Conservation District	Creating Urban Riparian Buffers (CURB) Program	8	100	750.0	\$225,000	\$0	\$225,000	\$0	\$0			
FP08038	Stevens County Conservation District	LPOR Watershed Implementation Project	9	100	750.0	\$250,000	\$0	\$0	\$250,000	\$0			
FP08064	Stilly-Snohomish Fisheries Enhancement	South Fork Stillaguamish Tributaries Restoration	10	100	742.5	\$245,700	\$0	\$0	\$245,700	\$0			

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FP08069	Thurston Conservation District	Henderson/Nisqually Water Quality Improvement	11	100	732.5	\$242,839	\$0	\$242,839	\$0	\$0			
FP08008	Friday Harbor, Town of	Relocate Submarine Sewer Interceptor (Hardship)	12	0	725.5	\$0	\$5,692,000	\$2,846,000	\$0	\$2,846,000	20	0	5, 6, 14
FP08077	Clark Public Utilities	East Fork Lewis River-Reach 6 Riparian Restoration	13	100	717.5	\$250,000	\$0	\$250,000	\$0	\$0			
FP08014	Shelton, City of	Basin 5 Sewer Rehabilitation Design	14	80	716.5	\$0	\$1,000,000	\$0	\$0	\$1,000,000	4	1.5	14
FP08018	Lincoln County Conservation District	Lincoln County Implementation Project	15	100	715.5	\$249,750	\$0	\$249,750	\$0	\$0			
FP08071	Central Klickitat Conservation District	Little Klickitat Temperature TMDL Implementation	16	100	701.5	\$250,000	\$0	\$250,000	\$0	\$0			
FP08084	Nooksack Salmon Enhancement Association	Fishtrap Creek Riparian Restoration Project	17	80	701.5	\$250,000	\$0	\$0	\$250,000	\$0			
FP08024	Airway Heights, City of	Airway Heights Wastewater Treatment, Reclamation, and Recharge	18	100	695.5	\$0	\$1,341,800	\$0	\$0	\$1,341,800	20	3.1	14

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FP08073	Kitsap County Health District	Jump Off Joe Creek Restoration	19	100	687.0	\$248,665	\$0	\$248,665	\$0	\$0			
FP08030	Stewardship Partners	Snoqualmie Stewardship Program	20	80	685.0	\$249,990	\$0	\$13,667	\$236,323	\$0			
FP08001	Snohomish County Public Works	North Fork Stilly Big Trees	21	90	673.1	\$327,188	\$0	\$327,188	\$0	\$0			
FP08006	Jefferson County Public Health	Discovery Bay Clean Water Project	22	90	666.0	\$495,638	\$0	\$495,638	\$0	\$0			
FP08037	Stevens County Conservation District	The Wedge Project	23	100	654.0	\$237,500	\$0	\$237,500	\$0	\$0			
FP08004	Island County Planning Department	Holmes Harbor Bacteria Source Identification/Remedy	24	100	641.5	\$288,000	\$0	\$288,000	\$0	\$0			
FP08034	Chelan County Conservation District	Wenatchee TMDL Project	25	100	635.5	\$250,000	\$0	\$250,000	\$0	\$0			
FP08070	Eastern Klickitat Conservation District	WRIA 31 Water Quality Remediation and Assessment	26	100	632.5	\$250,000	\$0	\$234,948	\$0	\$0			7

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FP08011	Whidbey Island Conservation District	Whidbey LID Stormwater Remediation Project	27	80	632.0	\$332,250	\$0	\$0	\$0	\$0			8
FP08013	Shelton, City of	Shelton WWTP Improvements Design	28	70	622.0	\$0	\$1,390,850	\$0	\$0	\$1,390,850	20	3.1	14
FP08065	Whatcom Conservation District	Drayton Harbor CREP Augmentation Initiative	29	70	621.5	\$150,000	\$0	\$0	\$0	\$0			8
FP08031	Olympia, City of	East Olympia Groundwater Quality Protection	30	90	610.0	\$500,000	\$0	\$0	\$0	\$0			8
FP08056	Walla Walla County CD	Steambank Restoration and Site Survey: Touchet River	31	90	609.5	\$101,000	\$0	\$0	\$0	\$0			8
FP08068	Thurston Conservation District	Henderson Stream, Students and Stormwater	32	80	608.5	\$145,250	\$0	\$0	\$0	\$0			8
FP08045	Lake Stevens Sewer District	Sunnyside Wastewater Treatment Facility (Construction)	33	100	605.5	\$0	\$60,183,500	\$0	\$0	\$13,969,445	20	3.1	9
FP08067	Snohomish Conservation District	Island County Agricultural BMP Project	34	90	601.5	\$301,275	\$0	\$0	\$0	\$0			8

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FP08075	Olympia, City of	Septic Connection Assistance Loan Program	35	70	601.5	\$0	\$250,000	\$0	\$0	\$250,000	20	3.1	14, 17
FP08060	Granite Falls, City of	Wastewater Treatment Plant Expansion	36	70	590.0	\$0	\$1,300,000	\$0	\$0	\$0			11
FP08062	Cowlitz CD / Wahkiakum CD	Forestry Water Quality Improvement Program	37	100	590.0	\$250,000	\$0	\$0	\$0	\$0			8
FP08061	Wahkiakum CD / Cowlitz CD	Agriculture Water Quality Improvement Program	38	100	582.5	\$250,000	\$0	\$0	\$0	\$0			8
FP08047	Toppenish, City of	Toppenish WWTP Upgrade (Hardship)	39	100	581.5	\$0	\$11,967,000	\$3,055,556	\$0	\$8,911,444	20	0	5, 14, 15
FP08009	Tapteal Greenway Association	Amon Creek Water Quality and Site Analysis	40	80	580.0	\$46,740	\$0	\$0	\$0	\$0			8
FP08019	Underwood Conservation District	White Salmon and Klickitat River Restoration and Monitoring	41	100	577.5	\$126,420	\$0	\$0	\$0	\$0			8
FP08066	Coulee City	Coulee City Wastewater Facility Expansion (Hardship)	42	0	564.5	\$0	\$869,000	\$259,929	\$0	\$609,071	20	0	5, 14, 18

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FP08027	Spokane County Conservation District	Nonpoint Phosphate Reduction Program	43	90	563.5	\$250,000	\$0	\$0	\$0	\$0			8
FP08052	Whatcom Conservation District	Conservation Program on Agricultural Lands (CPAL)	44	100	559.0	\$250,000	\$0	\$0	\$0	\$0			8
FP08003	Port Angeles, City of	Combined Sewer Overflow Storage Tank	45	90	555.0	\$0	\$850,000	\$0	\$0	\$0			11
FP08036	Cheney, City of	Cheney WWTP Expansion (Hardship)	46	80	553.0	\$0	\$11,569,000	\$0	\$0	\$11,569,000	20	0	5, 8, 14
FP08010	Samish Water District	Lake Samish Comprehensive Stormwater Plan	47	0	548.5	\$93,765	\$0	\$0	\$0	\$0			8
FP08012	Cusick, Town of	Cusick Wastewater System (Hardship)	48	100	548.5	\$0	\$1,000,000	\$0	\$0	\$500,000	20	0	5, 8, 14
FP08063	Naches-Selah Irrigation District	North Pleasant Hill Pipeline Project	49	100	546.5	\$0	\$2,776,600	\$0	\$0	\$2,776,600	20	3.1	14, 17
FP08074	Mason Conservation District	Urban Runoff Remediation Pilot Demonstration	50	60	539.0	\$179,197	\$0	\$0	\$0	\$0			8

**Fiscal Year 2008 Final Offer and Applicant List**  
**Centennial Clean Water Fund (Centennial), Clean Water Act - Section 319 Nonpoint Source Fund (Section 319),**  
**and Washington State Water Pollution Control Revolving Fund (SRF)**

Application Number	Applicant Name	Project Title	Rank	Local Priority Points	Total Points	Grant Funds Requested	Loan Funds Requested	Proposed Centennial Funding	Proposed Section 319 Funding	Proposed SRF Funding	Loan Term (yrs)	Loan Interest Rate	Foot notes
FP08005	Franklin Conservation District	Kahlotus Watershed Water Quality Investigation	51	100	530.0	\$139,425	\$0	\$0	\$0	\$0			8
FP08055	Clallam County	Biological Impairment Pollution Source Identification	52	100	528.0	\$164,490	\$0	\$0	\$0	\$0			8
FP08076	Nisqually Indian Tribe	Nisqually Watershed Water Quality Investigations	53	100	525.5	\$476,250	\$0	\$0	\$0	\$0			8
FP08051	Okanogan Conservation District	Okanogan County Small Farm Implementation	54	90	495.5	\$250,000	\$0	\$0	\$0	\$0			8
FP08054	Chelan County	Lake Chelan TMDL Implementation Project	55	100	492.5	\$223,125	\$0	\$0	\$0	\$0			8
FP08021	Seattle, City of	Sustainable Communities Study and Urban Design Plan	56	100	489.0	\$300,000	\$0	\$0	\$0	\$0			8
FP08022	Benton Conservation District	Star-Grass Harvest for Yakima Restoration	57	90	482.5	\$250,000	\$0	\$0	\$0	\$0			8
FP08028	Spokane County Conservation District	TMDL Livestock Improvement Program	58	100	482.5	\$150,000	\$0	\$0	\$0	\$0			8

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Application Number	Applicant Name	Project Title	Rank	Local Priority Points	Total Points	Grant Funds Requested	Loan Funds Requested	Proposed Centennial Funding	Proposed Section 319 Funding	Proposed SRF Funding	Loan Term (yrs)	Loan Interest Rate	Foot notes
FP08026	Lummi Indian Business Council	S.F. Nooksack Sediment Reduction	59	60	482.0	\$196,828	\$0	\$0	\$0	\$0			8
FP08080	Mason County - DoUWM	Rustlewood Wastewater Treatment Improvements (Hardship)	60	100	475.0	\$0	\$1,600,000	\$0	\$0	\$1,600,000	20	0	5, 8, 14
FP08058	Confederated Tribes of the Chehalis Reservation	Chehalis River Spatial Video Mapping	61	100	473.0	\$174,375	\$0	\$0	\$0	\$0			8
FP08081	Pacific Conservation District	Willapa River TMDL Grant	62	100	470.0	\$155,490	\$0	\$0	\$0	\$0			8
FP08025	Gig Harbor, City of	Eddon Shore Restoration & Creosote Removal	63	90	469.0	\$363,750	\$0	\$0	\$0	\$0			8
FP08057	Town of Eatonville	Town of Eatonville Wellhead Protection	64	90	445.0	\$141,869	\$0	\$0	\$0	\$0			8
FP08042	Spokane, City of	Green Streets Pilot Project	65	70	444.5	\$71,550	\$0	\$0	\$0	\$0			8
FP08002	Port Angeles, City of	CSO Wet Weather Treatment Facility	66	80	422.5	\$0	\$4,100,000	\$0	\$0	\$0			11

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Application Number	Applicant Name	Project Title	Rank	Local Priority Points	Total Points	Grant Funds Requested	Loan Funds Requested	Proposed Centennial Funding	Proposed Section 319 Funding	Proposed SRF Funding	Loan Term (yrs)	Loan Interest Rate	Foot notes
FP08043	Spokane, City of	Bio-infiltration System Education Program	67	60	417.5	\$36,000	\$0	\$0	\$0	\$0			8
FP08053	Okanogan Conservation District	Okanogan Coordinated Resource Management Implementation	68	100	417.5	\$250,000	\$0	\$0	\$0	\$0			8
FP08078	Ferry Conservation District	Curlew Lake Solar Bee Pilot Project	69	100	413.5	\$250,000	\$0	\$0	\$0	\$0			8
FP08041	Spokane, City of	WaterSmart Urban Landscape Program	70	90	412.5	\$84,675	\$0	\$0	\$0	\$0			8
FP08039	Spokane, City of	Regional Stormwater Atlas Project	71	80	395.0	\$39,000	\$0	\$0	\$0	\$0			8
FP08040	Spokane, City of	Pet Waste Reduction Program	72	50	390.0	\$42,090	\$0	\$0	\$0	\$0			8
FP08044	Spokane, City of	Nonpoint Water Quality Monitoring	73	100	372.5	\$93,700	\$0	\$0	\$0	\$0			8
FP08023	King County DNR - WwT Div.	Brightwater Influent Pump Station - Offsite Construction	74	100	470.0	\$0	\$10,740,000	\$0	\$0	\$0			11

**Fiscal Year 2008 Final Offer and Applicant List**  
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Application Number	Applicant Name	Project Title	Rank	Local Priority Points	Total Points	Grant Funds Requested	Loan Funds Requested	Proposed Centennial Funding	Proposed Section 319 Funding	Proposed SRF Funding	Loan Term (yrs)	Loan Interest Rate	Foot notes
FP08020	Snoqualmie Tribe, Env. and Nat. Resc. Dept.	Cherry Creek Water Quality Study	75	60	279.0	\$7,094	\$0	\$0	\$0	\$0			8
FP08072	Lewis County - DoHSS	Lewis County Onsite Sewage Program	76	90	274.5	\$38,340	\$0	\$0	\$0	\$0			8
FP08032	Quincy, City of	Stormwater Drainage Master Plan	77	0	273.5	\$0	\$118,000	\$0	\$0	\$0			11
FP08082	Pacific Conservation District	Grayland Cranberry Best Management Practices	78	90	252.5	\$250,000	\$0	\$0	\$0	\$0			8
FP08048	La Conner, Town of	Sewer System Evaluation Study for La Conner	79	0	138.5	\$0	\$40,000	\$0	\$0	\$0			11, 13
FP08049	Harrington, City of	Wastewater Collection and Treatment (Hardship)	Refi	0		\$0	\$771,903	\$0	\$0	\$0			11
FP08083	Grant Conservation District	Well Decommissioning Cost-share Program	Inel	0		\$183,195	\$0	\$0	\$0	\$0			12a
FP08017	Snohomish, City of	Phase 1 CSO Improvements	Inel	0		\$0	\$6,040,000	\$0	\$0	\$0			12b

**Fiscal Year 2008 Final Offer and Applicant List  
 Centennial Clean Water Fund (Centennial), Clean Water Act - Section 319 Nonpoint Source Fund (Section 319),  
 and Washington State Water Pollution Control Revolving Fund (SRF)**

<b>Application Number</b>	<b>Applicant Name</b>	<b>Project Title</b>	<b>Rank</b>	<b>Local Priority Points</b>	<b>Total Points</b>	<b>Grant Funds Requested</b>	<b>Loan Funds Requested</b>	<b>Proposed Centennial Funding</b>	<b>Proposed Section 319 Funding</b>	<b>Proposed SRF Funding</b>	<b>Loan Term (yrs)</b>	<b>Loan Interest Rate</b>	<b>Foot notes</b>
FP08016	Snohomish, City of	Wastewater Treatment Plant Upgrade	Incl	0		\$0	\$11,700,000	\$0	\$0	\$0			12b
<b>Totals:</b>						\$43,567,331	\$169,103,498	\$41,640,000	\$1,885,419	\$70,627,257			

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## Fiscal Year 2008 Final Offer and Applicant List

### Footnotes:

1. Funds identified through an appropriation proviso in Section 3036 Centennial Clean Water Program in of the 2007-09 Biennial Capital Budget.
2. Special funding identified in Section 3039 On-Site Septic Replacement Program of the 2007-09 Biennial Capital Budget funded from the Water Quality Account.
3. The applicant, King County Dept. of Natural Resources, was competitively awarded SRF loan funding of \$23,866,700 under the Alternative Contracting Pilot Rule (now rescinded) in the FY 2007 funding cycle. Alternative contracting projects are funded over several years based on a cash flow projection and the \$4,002,626 represents the second year funding request for this project. The applicant was awarded \$947,246 on the FY 2007 Final Offer and Applicant List.
4. The applicant, the city of Warden, was previously determined to meet criteria for financial hardship and awarded \$723,880 in grant funds from Centennial and a zero-percent interest loan with a 20-year term from SRF for its project on the FY 2007 Final Offer and Applicant List. In accordance with Chapter 173.95A WAC, *Uses and Limitations of the Centennial Clean Water Fund*, the City's project is eligible to receive up to a \$3,033,597 hardship grant, thus the remaining commitment of \$2,309,717 in Centennial grant funding is being proposed on this FY 2008 list.
5. The project is eligible for financial hardship in accordance with Chapter 173.98 WAC, *Uses and Limitations of the Water Pollution Control Revolving Fund*, and Chapter 173.95A WAC, *Uses and Limitations of the Centennial Clean Water Fund*, and is identified for a reduced loan interest rate, longer loan term, and partial grant funding, if available.
6. The applicant is offered grant funds designated for small hardship communities (less than 5,000 population) for its wastewater infrastructure project per Section 3036 of Governor Gregoire's 2007-09 proposed biennial budget.
7. Funds offered are less than funds requested, because this is the last priority project that can be funded based on available Centennial dollars reserved for nonpoint activity projects or financial hardship construction projects.
8. The applicant requested grant funding; however, after higher priority projects were offered funding, no grant funds remain available.
9. Funds offered are less than funds requested, because this is the last priority project that can be funded based on available SRF dollars reserved for facility projects.
10. Funds offered are less than funds requested, because this activity loan project is the last of the priority projects that can be funded based on available SRF dollars reserved for activity projects.
11. The applicant requested loan funding; however, after higher priority projects were offered funding, no loan funds remain available.
12. The project was determined to be ineligible for funding consideration and was therefore not rated and ranked:
  - a. Well decommissioning is not a grant eligible activity.
  - b. Technical prerequisites were not met.
13. The applicant requested hardship consideration for this project. Hardship criteria set in rule was not met.
14. In order to be eligible to sign an SRF loan with Ecology, a local government must be in compliance with the requirements of Chapter 36.70A RCW, *Growth Management—Planning by Selected Counties*.
15. The city of Toppenish was determined to be eligible for a \$4,685,081 hardship grant and a \$7,281,919 SRF loan. Based on funding limitations set in Chapter 173.95A WAC, *Uses and Limitations of the Centennial Clean Water Fund*, where only 1/3 of the available hardship grant funds can be provided to a single applicant, we are only able to offer a \$3,055,556 hardship grant on this FY 2008 list. Based on the grant eligibility for this project, the City will be proposed for the remaining funding shortfall on the FY 2009 list, subject to Legislative appropriation and a reassessment of hardship.
16. The city of Brewster was previously determined to meet criteria for financial hardship and awarded grant funds from Centennial and a zero-percent interest loan with a 20-year term from SRF for its project on the FY 2006 Final Offer and Applicant List. The City's bids for construction were substantially higher than expected and Ecology proposes to provide the City with Centennial grant funding, within the maximum allowed under Chapter 173.95A WAC, and SRF loan funding in good faith so that the project can move forward.
17. The project is designated a nonpoint activity under the SRF program and funded from the 20% nonpoint activity loan category in accordance with Chapter 173.98 WAC.
18. Coulee City was determined to be eligible for a \$504,020 hardship grant and a \$364,980 SRF loan. The City is proposed to receive only a \$259,929 grant because it is the last priority project that can be funded based on available Centennial dollars for hardship. Ecology will propose the City for the remaining eligible grant funding on the FY 2009 list, subject to Legislative appropriation and a reassessment of hardship.

























