



**TO:** Hyun Kim, Interim City Manager  
**FROM:** Christina Curran, Assistant Division Manager, Environmental Services  
 Ramiro A Chavez, P.E. PgMP, Director, Environmental Services  
**COPY:** City Council and City Clerk  
**SUBJECT:** Resolution – Grant Acceptance – March 24, 2026  
**DATE:** March 4, 2026

Initial DS  
 CMS RALPP

**SUMMARY AND PURPOSE:**

A resolution accepting a combination of grant and low-interest loan funding awarded by the Washington State Department of Commerce Public Works Board, totaling \$7,100,000, and depositing said sum into the ES Stormwater Fund, to rehabilitate a stormwater main near Pacific Avenue and 26th Street.

**BACKGROUND:**

Per Resolution No. 41730 in August 2025, Council authorized the Environmental Services Department (ES) to apply for Public Works Board (PWB) loan funding for the Puyallup Ave Sewer Project, with a follow-up item to request approval from Council to accept funds if awarded.

ES’s application was the highest rated out of 78 applications received. PWB initially awarded ES \$7,100,000 in low-interest loan funding at an interest rate of 1.70 percent. Following that, PWB determined that \$389,567 of the award total could be offered as grant funding, resulting in a low-interest loan of \$6,710,433 and a grant of \$389,567.

The stormwater main rehabilitation work completed through this funding is a component of a larger project to address recurring flooding events at the intersection of Pacific Avenue and 26th Street and replace large diameter stormwater and wastewater sewer trunk mains that are reaching the end of their service life.

**COMMUNITY ENGAGEMENT/ CUSTOMER RESEARCH:**

ES provides public notice for construction projects impacts. Additionally, specific to this project:

- The construction contractor’s team includes a Public Outreach firm that has developed a Public Outreach Plan.
- ES has a dedicated project website to provide public notice on project background, benefits, and schedule.
- A phone number and email address for ES’s Project Manager, Jordan Ennis, P.E., are posted on the public project website.

**2025 STRATEGIC PRIORITIES:**

**Equity and Accessibility:**

Increase positive public perception of safety and overall quality of life.

Improve access and proximity by residents to diverse income levels and race/ethnicity to community facilities, services, infrastructure, and employment.

**Economy/Workforce: Equity Index Score: Very Low Opportunity**

Increase the number of infrastructure projects and improvements that support existing and new business developments.



**Explain how your legislation will affect the selected indicator(s).**

ES's project will reduce roadway flooding risk that poses a threat to public health and safety in a Very Low Equity Index census tract, benefitting public perceptions of safety, transportation mobility, and economic access.

**ALTERNATIVES:**

Alternative(s)	Positive Impact(s)	Negative Impact(s)
1. Do not accept PWB's funding offer.	Some administrative and reporting requirements could be avoided by turning down the funding.	ES will use existing capital funds for this urgent project and rely on bonds, forfeiting the grant fund award and receiving less favorable financing terms than those offered under the loan.

**EVALUATION AND FOLLOW UP:**

Project progress will continue to be made available on the City's dedicated project website.

**STAFF/SPONSOR RECOMMENDATION:**

Staff recommends approval of the request for authority to accept the Washington State Department of Commerce Public Works Board's loan and grant funding award offer.

**FISCAL IMPACT:**

Fund Number & Name	COST OBJECT (CC/WBS/ORDER)	Cost Element	Total Amount
4301 - ES Stormwater Fund	521800	To be created	(\$6,710,433)
4301 - ES Stormwater Fund	521900	6232320	(\$389,567)
<b>TOTAL</b>			<b>(\$7,100,000)</b>

**What Funding is being used to support the expense?** N/A

**Are the expenditures and revenues planned and budgeted in this biennium's current budget?**

YES

**Are there financial costs or other impacts of not implementing the legislation?**

YES

**Will the legislation have an ongoing/recurring fiscal impact?**

NO

**Will the legislation change the City's FTE/personnel counts?**

NO