



**Date:** April 8, 2026

**To:** Public Utility Board, Tacoma Public Utilities

**From:** Marc Powell, Business Services Analyst, Tacoma Water Customer and Financial Services

**Subject:** Drinking Water State Revolving Fund Low-Interest Loan for Galvanized Main Replacement

Summary:

Tacoma Water has been awarded a low-interest loan from the state Drinking Water State Revolving Fund (DWSRF), administered by the Washington State Department of Health (DOH), which provides funds for drinking water infrastructure improvements in Washington State.

Background:

Tacoma Water briefed the Board on this project on December 10, 2025, and received unanimous approval to apply for this low-interest loan opportunity with Resolution U-11572. The City Council was also briefed on January 6, 2026, and unanimously approved the application under Resolution RES41840.

The application was successful, and Tacoma Water has been awarded a \$1,085,298 low-interest loan at 1.75% interest over a term of 24 years, including 50% loan forgiveness.

Loan funds will be used to replace two aging sections of galvanized main in South and East Tacoma neighborhoods. The first segment is 750 feet of 2-inch galvanized/plastic main on A St South and the second segment is 580 feet of 1-inch galvanized main on the 9600 Block of East D Street. Both mains will be replaced with 8-inch ductile iron main and new valves, new fittings, and four new fire hydrants. These improvements will improve service reliability, resiliency, and capacity for future neighborhood growth.

TPU Legal has reviewed the contract materials and DOH has incorporated Legal's edits.

Tacoma Water staff recommend the Board authorizes execution of this contract.

Next Steps:

If the Board approves, Tacoma Water will present the request for final Board approval at the April 22nd evening Board meeting and request approval from Tacoma City Council in May.



CC: Jackie Flowers, Director of Utilities  
Keri Burchard-Juarez, Water Superintendent  
Dana Larsen, Customer and Financial Services Manager  
Ryan Cox, Customer Experience Asst Div Manager  
Hayley Falk, Financial Services Manager