

1410 N Hilton Street
Boise, ID 83706 • (208) 373-0502



Brad Little, Governor
Jess Byrne, Director

7/1/2025

Electronic Delivery: hellis@sandpointidaho.gov

Holly Ellis, Public Works Director
Public Works Director of City of Sandpoint
1123 W. Lake St.
Sandpoint, ID 83864-1714

Subject: Invitation to Apply for Fiscal Year 2026 Legislative Supplemental Funding

Dear Ms. Ellis:

On June 18, 2025, the Board of Environmental Quality approved the fiscal year 2026 State Drinking Water and Clean Water Legislative Supplemental Funding. These lists will be effective July 1, 2025, through June 30, 2026.

There are sufficient funds for fiscal year 2026 State Drinking Water and Clean Water Legislative Supplemental Funding (LSF) to offer you funding for your project. Please see the attached LSF list showing the amount of LSF grant funds your system will receive. To receive the funds, you must fill out and submit a loan application. Please see *Attachment SRF-02 Construction Funding Application* within our Customer Handbook, under the Resources section, at: DEQ.Idaho.gov/SRF for additional information and requirements.

In accordance with IDAPA 58.01.12.041, funds **may not be** applied to costs before a funding agreement is executed, unless preauthorized in writing by DEQ. Please contact me to discuss preauthorization and determine required supporting documentation **before** the costs are incurred.

DEQ will manage the funding list in a manner that assures limited funds reach projects with the greatest need and desire to proceed. Once you confirm your interest in the funding, either I or staff in our DEQ regional office will contact you to set up a pre-application conference. If you decide to seek funding elsewhere, please notify me so that I can make use of the funds you are bypassing for other projects.

Please review the enclosed list. There are three important dates for you:

- 1) **By September 1, 2025**, please notify me by e-mail at Zoe.McCarty@deq.idaho.gov of your intent to submit an application. If you decide to seek funding elsewhere, please notify me by this date so that I can make use of the funds you are bypassing for other projects.
- 2) **By December 31, 2025**, planning document(s) must be approved by DEQ (if not previously submitted and approved by DEQ).
- 3) **By March 31, 2026**, please submit your application.

If you do not meet these dates, it may result in your project being bypassed. If your project is bypassed on this year's list, you can still participate in the program in future years by submitting another letter of interest (LOI) during future LOI cycles. If you have questions, please contact me, at (208) 373-0574 or via e-mail at Zoe.McCarty@deq.idaho.gov.

Sincerely,



Zoe McCarty
Grant and Loan Analyst
Drinking Water Protection and Finance Division

ZM:GD
Enclosure: LSF Priority List

c: Katy Baker-Casile, DEQ Coeur d'Alene Regional Office