

**NOTICE OF PUBLIC COMMENT PERIOD  
ON AMERICA RECOVERY AND REINVESTMENT ACT OF 2009 FUNDS  
THROUGH THE DWSRF PROGRAM  
-30 Day Public Comment-**

SUBJECT: Commonwealth of Virginia  
Capitalization Grant Under the  
American Recovery and Reinvestment Act of 2009  
Intended Use Plan

TO: Virginia Drinking Water State Revolving Fund Program 2009 Applicants

FROM: Virginia Department of Health Office of Drinking Water

**Introduction – ARRA Funds**

Section 1452(b)(1) of the Safe Drinking Water Act Amendments (SDWA) of 1996 (P.L.104-182), establishes the Drinking Water State Revolving Fund (DWSRF) program through a capitalization grant and requires the Commonwealth of Virginia develop an Intended Use Plan (IUP). This IUP proposes the utilization of Safe Drinking Water Act State Revolving Funds and provides a draft list of projects targeted for financial assistance through this program. This draft IUP and the list of projects are made available to the public for review and comment at:

[www.vdh.virginia.gov/drinkingwater/financial/economicstimulusfunds.htm](http://www.vdh.virginia.gov/drinkingwater/financial/economicstimulusfunds.htm).

In accordance with the federal SDWA of 1996 the Virginia Department of Health (VDH) Office of Drinking Water (ODW) is making application for a federal funding capitalization grant for the DWSRF program under the American Recovery and Reinvestment Act (ARRA) of 2009.

The ARRA grant application consists of the IUP, the Project Priority List and the Comprehensive Project List. The *Virginia Drinking Water State Revolving Fund Program - Program Design Manual*, dated January 12, 2009, is part of the IUP and outlines the Program's overall goal, the set-aside and construction aspects of the Program, entities eligible for funding, interest rates and terms, and criteria used to establish a Project Priority List.

In compliance with the requirement in SDWA § 1452(b)(1), the ARRA IUP (in draft form) is being made available to the public for review and comment.

The annual 2010 DWSRF list will be developed and made public at a later date.

**Available Funding**

The federal allotment to Virginia from the federal ARRA stimulus package for Drinking Water State Revolving Fund Program projects is \$20,761,000. According to the federal requirements for acceptance of these funds, a minimum of 50% of the funds must be distributed as principal forgiveness loans, and additional 20% of the funds should be

utilized for projects that include green infrastructure, water efficiency, energy efficiency, or other environmental innovative activities.

### **ARRA Project Solicitation**

On January 12, 2009 the Virginia Department of Health issued a request for applications for Source Water Initiatives, Construction Funds, and Set-aside tasks. This request included solicitation for projects to be considered for construction funding under the ARRA. The VDH accepted applications through March 27, 2009. The VDH – Office of Drinking Water received two hundred fifty-five (255) applications requesting \$416,636,360. A listing of the applications received by VDH is included in the IUP as Attachment A.

The applications were evaluated using the EPA-approved criteria used for DWSRF applications. The ARRA guidance includes an additional requirement for “readiness to proceed” and this was also used during the project evaluation.

The criteria used for the ARRA evaluation included: acute, chronic and public health risk of the applying project, the cost of the public water to the users relative to the state average, the mean household income of the affected public, the impact on regionalization of the waterworks, additional funding utilized for the project, the cost of the project per connection, and readiness to proceed.

The prioritization of the projects is based on scores from these criteria, weighted to the public health criteria. A draft list of the projects to receive ARRA funds is included in the IUP as Attachment B.

The Department of Health is presenting this draft list of ARRA projects for public review and comment. On May 20, 2009 at 9:00 a.m., a public meeting to solicit comments on the IUP and the draft list of projects for funding will be held at:

Virginia Department of Environmental Quality - Piedmont Regional Office  
4949-A Cox Road  
Glen Allen, VA 23060

For directions, call (804) 864-7500 or go to: [www.deq.state.va.us/regions/piedmont.html](http://www.deq.state.va.us/regions/piedmont.html)

### **Public Comment**

The public comment and review period will end June 8, 2009 at 5:00 p.m. Written comments or questions should be directed to:

Mr. Steven D. Pellei, P.E.  
Virginia Department of Health  
Office of Drinking Water  
James Madison Building, Room 622  
Richmond, Virginia 23219  
ATTN: ARRA Public Comment