

Drinking Water State Revolving Funds

The Virginia Department of Health (VDH) is pleased to announce several opportunities for funding drinking water infrastructure. ALL applications may be submitted year-round; however, VDH will conduct one round of evaluations submitted by the deadlines described below. Applications postmarked/received after the due date will be considered for funding in the following round. Funding is possible through the Drinking Water State Revolving Fund (DWSRF) Program, the Bipartisan Infrastructure Law (BIL) and the Water Supply Assistance Grant Fund (WSAG) Program (if funds are available).

The fiscal year 2024 (**FY 2024**) DWSRF Intended Use Plan (IUP) will use stakeholder input for decision-making. The BIL funds are broken into three different categories: DWSRF Supplemental, which has all the same eligibilities that the base DWSRF Program has; DWSRF Lead Service Line, which is explained in item #4; and DWSRF Emerging Contaminants, which is focused on PFAS, but also includes the contaminants listed in the Draft Fifth Contaminant Candidate List (CCL 5).

1. Public Comments and Set-Aside Suggestions Invited (Submission deadline May 5, 2023)

To identify ways to improve our Program, VDH seeks meaningful input from the public, the waterworks industry, or any other interested party. Anyone may make comments or recommendations to support or revise the Program. Anyone can suggest new or continuing set-aside (non-construction) activities. Set-aside funds help VDH assist waterworks owners prepare for future drinking water challenges and assure the sustainability of safe drinking water.

2. Construction, Consolidation, and Refinance Fund Requests (BIL and DWSRF Application deadline May 5, 2023)

Owners of community waterworks and nonprofit non-community waterworks are eligible to apply for construction funds. VDH makes selections based on criteria described in the DWSRF Program Design Manual, such as: existing public health problems, noncompliance, affordability, regionalization, and the availability of matching funds. VDH anticipates a funding level of approximately \$40 million for BIL funding and \$25 million in DWSRF funding. The funds can be used with the DWSRF Base Program, BIL Supplemental, and BIL Emerging Contaminants

3. 1452(k) Source Water Protection Initiatives (Application deadline May 5, 2023)

Loan funds are available to: (1) community and non-profit non-community waterworks to acquire land/conservation easements, and (2) community waterworks, only to establish local voluntary incentive-based protection measures.

4. Lead Service Line (LSL) Replacement Program: (BIL and DWSRF Application Inventory deadline is Quarterly) LSL Replacement Program: (BIL and DWSRF Application construction deadline is May 5, 2023)

To accelerate the removal of lead in drinking water, the DWSRF Program provides funding for the complete removal of the public and/or private portion of LSLs. In conjunction with other available funds, \$2 million is set aside annually, to provide up to \$5,000 dollars as grant funds (of which up to \$500 may be eligible as an admin fee) for each service line replaced on the homeowner's side of the meter.

The LSL includes pipe entry into the structure (up to shut off valve) but excludes the premise plumbing. Maximum amount of grant funding is \$500,000 per funding year. In addition, up to \$250,000 is available annually for LSL inventory building until investigative LSL work is complete. VDH anticipates a funding level of approximately \$42 million under BIL for larger infrastructure work.

Please Note: in the interest of providing funding for inventory development prior to the EPA deadline of October 16, 2024, application review and scoring will occur on a quarterly basis for INVENTORY DEVELOPMENT ONLY.

5. Planning and Design Funds (Accepted year-round)

Owners of community waterworks and nonprofit non-community waterworks with projects serving populations of 10,000 or fewer are eligible to apply for planning and design funds. Waterworks may submit up to three applications per funding cycle, however only two per waterworks owner may be selected for funding. The maximum award per application is \$45,000 as a grant. Projects that address conditions at a waterworks that do not comply with the Waterworks Regulations or Operation Permit and result in acute health risks receive the highest priority for funding, followed by noncompliance and chronic health risks, and then noncompliance and broader public health concerns.

The VDH's DWSRF Program Design Manual describes the features of the above opportunities for funding. After receiving public input, VDH will develop an IUP for public review and comment. The IUP will describe specific details for use of the funds. A public meeting is planned and written comments will be accepted before submittal of a final version to the USEPA for approval.

Applications, set-aside suggestion forms, Program Design Manuals, and information materials are available at <https://www.vdh.virginia.gov/drinking-water/fcap/drinking-water-funding-program/>

Please direct questions, comments, and information to Kelly Ward, FCAP Director, by calling (804) 864-7500 or writing to VDH – ODW, 109 Governor St., 6th Floor, Richmond, VA 23219.