

**Commonwealth of Virginia
Drinking Water State Revolving Fund Program
Intended Use Plan
For the DWSRF FY2025 Capitalization Grant**

June 2025



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(Also available at <http://www.vdh.virginia.gov/drinking-water/>)

I. Summary

In accordance with the federal Safe Drinking Water Act Amendments (SDWA) of 1996 (P.L.104 182), which established a Drinking Water State Revolving Fund (DWSRF) Program to eligible states through a capitalization grant, the Virginia Department of Health (VDH) Office of Drinking Water (ODW) is making application for federal funding under this program. VDH makes this funding application in accordance with and under the agreements established in the Operating Agreement executed between the EPA and the Commonwealth of Virginia that provides the framework for the DWSRF Program in Virginia. The Commonwealth of Virginia expects to have a total of approximately \$18,568,800 million available for utilization under the FY 2025 DWSRF grant Base Program, which includes \$49,000 from the 2nd FY2021 reallocation and \$25,000 from the 3rd FY2021 reallocation, \$15,400,000 FY2025 DWSRF Base grant allocation, and \$3,094,800 Virginia's required 20% state match. VDH also plans to provide approximately \$9,404,564 funding for projects from loan repayments from past recipients during this funding cycle. Virginia's DWSRF has been allotted \$46,275,000 in funding through the Bipartisan Infrastructure Law (BIL) for FY 2025. The BIL funds are divided into three (3) categories: DWSRF Supplemental (just like the base program) provides a total of \$35,159,000 federal funding requiring a 20% state match of \$7,031,800 for a total funding amount of \$42,190,800, Emerging Contaminants (focusing on PFAS but eligible for unregulated contaminants found in the Drinking Water Contaminant Candidate Lists 1-5) \$11,116,000 comprising of the FY2025 BIL Emerging contaminant allotment of \$10,789,000 plus the FY2022 reallocation of \$26,000 and the FY2023 reallocation of \$301,000, with no required state match. The Lead Service Line Replacement allotment is still pending EPA reallocation to reflect the state's lead service line inventory data, and this grant will be applied for when the allotment is provided to VDH. Additionally, this year VDH has been provided \$23,155,000 funding for waterworks impacted by Hurricanes Helene and Milton and the Hawai'i Wildfires (SA-HMW).

II. Introduction

The VDH has primary enforcement responsibility (primacy) for the Virginia's drinking water programs, and as such, is the designated agency to apply for and administer the capitalization grant for the DWSRF Program and related state funds.

This Draft IUP includes the PPL and the Construction Project Equivalency List. The most current version of the *Virginia Drinking Water State Revolving Fund Program - Program Design Manual*, (available on our website) is part of the IUP and outlines the Program's overall goals, the set-aside and construction aspects of the Program, entities eligible for funding, interest rates and terms, and criteria used to establish a PPL.

In compliance with the requirement in SDWA sec. 1452(b)(1), the IUP undergoes public review and comment through a combination of internet postings. The VDH will post this Intended Use Plan under the Financial & Construction Assistance Programs at <http://www.vdh.virginia.gov/drinking-water/> and on Virginia Regulatory Town Hall at <https://www.townhall.virginia.gov/L/ViewNotice.cfm?GNid=2452> for a 30-day public comment period. The VDH will not hold a public meeting to solicit comments. Recommendations and comments regarding this IUP can be mailed to Anthony Hess, DWSRF Program Director, Virginia Department of Health – Office of Drinking Water, c/o Theresa Hewlett, 109 Governor Street, VA 23219 or by email at anthony.hess@vdh.virginia.gov. The VDH-ODW will place the IUP announcement on Town Hall and on the VDH-ODW website.

III. DWSRF Program Goals

VDH is committed to using the capitalization grant for which it is applying to provide assistance to water systems through set-asides and for capital improvement projects that will further the public health protection objectives of the Safe Drinking Water Act. VDH intends to award all assistance available under this capitalization grant in full conformance with the DWSRF program and the terms and conditions of the capitalization grant award. The Virginia DWSRF Program activity incorporates the federal, state match, program revenue and repayments, and miscellaneous additional funds to implement the statewide programs to ensure adequate and safe drinking water to citizens. The construction loan and grant funds, in conjunction with the set-aside funds, provide funding sources for infrastructure projects, planning projects, sample testing, capacity development initiatives, state administrative costs, training, technical assistance, wellhead and source water protection, and other activities designed to enhance the state's water programs.

The Project Priority List (PPL) ([Attachment 1](#)) details the funded construction projects, in priority order, and other relevant project information. VDH-ODW had a joint solicitation period for the Base Program, the Bipartisan Infrastructure Law funding. The Base and BIL portions of the PPL was developed from the 48 applications received from January 2024 to May 2024, requesting over \$317,360,450 in funding assistance. This solicitation included Service Line replacements applications which included 9 of those applications. VDH-ODW offered funding to applicants for \$27,973,364 DWSRF Base and repayment funding, 7 applicants for BIL Supplemental Funding for \$33,127,626, 3 applicants for BIL Emerging Contaminants funding for \$11,116,000, and zero Applicants for BIL Lead Service Line Funding because waiting on EPA revised LSL allocation. An additional solicitation for the Hurricanes Helene and Milton and the Hawai'i Wildfires SA-HMW funding accompanied the FY2026 solicitation from January 1, 2025 to May 2, 2025, with a total of 38 applicants for SA-HMW funding for a total of \$99,664,702. Offers were made to 8 applicants for \$23,155,000. Total funding for all applications was roughly \$95,331,990.

VDH - ODW uses the set-aside funds to maintain and advance waterworks support initiatives that contribute to the sustainability of safe drinking water. The set-asides funds assist waterworks owners in protecting water supplies, ensuring the reliable operation of water systems, preparing for future waterworks challenges, and developing their technical, financial, and managerial capacity (TMF - Capacity Development). Although the waterworks and their consumers are the direct benefactors of these funding efforts, the initiatives may originate with any number of concerned parties. Combined funding used in cooperative efforts with other entities may maximize the desired outcome. This IUP outlines set-aside uses later in this document.

A. Long Term and Short Term Goals

VDH is committed to promoting and protecting the health of Virginians. VDH – ODW supports that mission using a number of critical functions including implemented activities. ODW also supports the mission through regulatory, technical, and financial programs designed to enhance the quality of water provided to the citizens of the Commonwealth. The DWSRF program provides VDH with the means to achieve these goals.

VDH has a goal to utilize the DWSRF resources to implement a long-term, sustainable program focused on providing technical, financial, and managerial resources to waterworks owners. VDH accomplishes this through an integrated assistance program to provide technical, managerial and financial resources

targeted to waterworks that exhibit a specific need for assistance. VDH established the following priorities for the DWSRF program:

Long Term

- Protect the public health and welfare by supporting activities that ensure waterworks provide adequate water quantity and quality to their end users.
- Ensure the sustainability of the DWSRF program and related funding to benefit Virginians over the greatest number of years.
- Assist waterworks owners in complying with federal and state mandated drinking water regulations through programmatic, technical, and construction assistance.
- Assist waterworks owners to develop long-term strategies for sustainable infrastructure (managerial, technical, and financial capability) to provide safe drinking water.
- Assist waterworks owners in the protection of their source waters by supporting source water protection programs.
- Make technical and financial assistance available to waterworks owners and consumers through effective outreach programs.

Short Term

- Allocate DWSRF Program funds efficiently so Virginians may realize a prompt benefit.
- Assist waterworks owners through innovative and effective technical assistance programs.
- Promote consolidation and regionalization of water supplies and waterworks through both programmatic and construction assistance.
- Provide a source of low-cost financing for drinking water needs.
- Require that all new Community and Nontransient Noncommunity water systems beginning operation after October 1, 1999, demonstrate the technical, financial, and managerial capacity required to operate a waterworks.
- Ensure that state operator certification regulations meet EPA national requirements.
- Ensure training courses are provided that meet the needs of classifications of licensed operators at small waterworks.
- Demonstrate compliance with the capacity development authority, capacity development strategy and operator certification program provisions in order to avoid withholdings.
- Maintain unliquidated obligations (ULOs) at or below the national average of 10%. The ULO is the unexpended balance remaining from the amount of federal funds EPA obligated to an individual state/recipient which has not yet been “drawn down”.
- Program pace is a ratio of the dollar value of closed loans/binding commitments to the total dollars available for projects in the Fund. VDH will use 90% for a pace target for this fiscal year.
- Enter into binding commitments for projects that will proceed to construction or award of construction contracts within twelve months of initial offers of assistance.

IV. Program Implementation

VDH manages the DWSRF Program to maximize benefits available to waterworks owners and Virginians. VDH frequently reviews the Program effectiveness and makes necessary revisions to ensure continued financial sustainability, integration with the Public Water System Supervision Program (PWSS), and success operation.

A. Important Program Implementations

VDH notes the following important efforts implemented in the Program:

1. VDH is recommending **Asset Management Plans/Capital Improvement Plans** for all DWSRF applicants that have not completed one. This will promote responsible asset management and help to address the issue of aging infrastructure. Depending on availability of funds, VDH may make principal forgiveness funds available to assist those eligible disadvantaged waterworks in need of completing a plan.
2. **Lead Service Line replacements special offers:** In an effort to accelerate the removal of lead exposure to drinking water, the DWSRF Program has made funding available for the complete removal of the public and/or private portion of the LSLs. This will be accomplished through the BIL Lead Service Line replacement funding.
3. **Expedited Closing Program:** Projects may be eligible for an additional interest reduction of 0.25% under this special program. To qualify for the Expedited Closing Program, VDH requires loan closings within 12 months of initial offer letters. Letters to waterworks owners instructed them to notify VDH of their interest in participating in either of these special programs in their offer response letters. The intent of these programs is to accelerate loan closings and encourage financial capacity building.
4. **Disadvantaged waterworks:** VDH is using the **1% of MHI as a determinant for target rates**. Disadvantaged criteria is as follows: Disadvantaged waterworks are those who currently have or will have after project completion, user rates that meet or exceed the target rate or are willing to adjust/raise rates in accordance with a VDH approved schedule.
5. **Projects in the EVGMA only:** To conserve water in the Eastern Virginia Groundwater Management Area (EVGMA) created pursuant to the EVGMA of 1992, VDH reserves the right to give precedence to water projects that do not involve withdrawal of groundwater from the coastal plain aquifer over those projects that do withdraw groundwater in the EVGMA. VDH will only apply this evaluation to any equally ranked projects when both are located in the EVGMA.

B. Coordination with Enforcement

VDH coordinates efforts between the Capacity Development Program, the Financial and Construction Assistance Program (FCAP), the ODW Field Office staff, and the ODW Enforcement section utilizing EPA's Enforcement Targeting Tool (ETT) to identify noncompliant waterworks with health-based violations. Owners with violations for monitoring, operator certification, or other non-construction related issues are typically not included. The scoring matrix awards additional points for those owners that apply for construction funds that will resolve ETT related issues. Projects with higher ETT scores get higher priority.

C. Coalfield Water Development Fund (CWDF) Program

A unique feature of the Virginia DWSRF Program is the federal statutory language allowing a pilot demonstration project in Southwest Virginia. The Commonwealth made loans to a regional endowment, with the loans repaid using terms and conditions in the same manner as all other project loans. VDH invests loan funds with proceeds used to assist communities in Southwest Virginia in correcting water infrastructure challenges. The SDWA authorizes Virginia to establish a special demonstration project to loan funds to a regional endowment for "...financing new drinking water facilities..." in an area of Southwest Virginia encompassing Planning Districts 1 and 2 (includes Lee, Scott, Wise, Dickenson, Buchanan, Russell, and Tazewell counties). The SDWA established this endowment to assist meeting the special needs of the Coalfields area of Southwest Virginia. In the funding years 1997 through 2000, VDH elected to provide a total of \$10 million from its capitalization grants as loans to the endowment. The endowment reached its goal and VDH can provide no additional funding.

D. Financial Health

The programs financial health is reflected in both the active non-construction activities and in funding opportunities. Both areas are integrated and affect the other's success, i.e. activities promoting or enhancing delivery of a safe drinking water reduce the demand on the loan area by ensuring the long-term wellbeing of the waterworks. VDH will maintain the DWSRF (the Fund) in perpetuity for providing financial assistance as authorized and limited by the SDWA. The Fund includes state match, interest earnings, Federal grant dollars, and repayments of principal and interest on loans received.

E. Program Coordination

VDHs program coordination will maintain the two areas of non-construction and project loans with the overall long-term financial health of the program maximizing the benefits for Virginians. VDH – ODW utilizes strategic coupling of programmatic considerations with the results of a planning model that examines the aggregate effects of altering financial parameters of the program. VDH – ODW will revise or implement procedures, as needed, based on the results of the annual assessment.

F. Disadvantaged Program

The Disadvantaged Program is described in VDH's *Program Design Manual*. Loan subsidies (in the form of below market rate loans and principal forgiveness loans) will decrease the loan funds available. However, principal forgiveness coupled with a waterworks business operations plan and a requirement to implement rate adjustments will reduce demand on principal forgiveness/grant funds by ensuring long-term financial well-being of the waterworks. The waterworks business operations plan ensures a new (or struggling) owner has the managerial, technical, and financial capacity to provide for the long-term operation of the waterworks. These initiatives allow waterworks to undertake projects they could not otherwise construct and, therefore, protect the public health. This strategy is one of the strong themes encouraged by Congress.

V. Sources and Uses of Funds

VDH will be applying to EPA for:

- \$18,568,800 DWSRF Base Program capitalization grant, from the DWSRF FY2025 appropriation which includes Virginia's required 20% state match of \$3,094,800.
- \$42,190,800 Bipartisan Infrastructure Law (BIL) Supplemental funding, which includes Virginia's required 20% state match of \$7,031,800.
- \$11,116,000 FY2025 BIL Emerging contaminant allotment of \$10,789,000 plus the FY2022 reallocation of \$26,000 and the FY2023 reallocation of \$301,000, with no required state match.
- \$23,155,000 Hurricanes Helene and Milton and the Hawai'i Wildfires (SA-HMW) funding, with no required state match.

VDH evaluates the need to issue leverage bonds to meet program demand and is taking a multi-year perspective. Under Virginia's leveraging structure, the Virginia Resources Authority (VRA) will sell bonds to provide the necessary funds to fully meet the requests approved by VDH for drinking water loan assistance. The leveraging structure and cash flow analyses will be available to the U.S. EPA prior to any bond issuance.

As permitted by Congress in legislation approved in 1997, Virginia intends to cross-collateralize bonds sold for the Clean Water Revolving Loan Fund and the Drinking Water State Revolving Fund, whenever leveraging is warranted. The purpose is to enhance the security of bonds sold for both programs, thereby

improving the credit rating and reducing the cost of funds. This allows both programs to meet program capacity demand and pass on the best possible interest rates to its borrowers. The revenues from loan repayments in each program are pledged first to the allocated portion of bonds for that program. After program revenues pay debt service on its portion funds, excess funds may cover a revenue deficiency in the other program. Given the loan portfolio quality, robust coverage in each program, and established financial management practices, implementation of this provision is highly unlikely. The cross-collateralization of the two programs provides an efficient mechanism to initiate a leverage program for the Drinking Water State Revolving Fund.

Finally, the Virginia Department of Environmental Quality may transfer some grant funds from the Clean Water State Revolving Fund (CWSRF) to the Virginia Department of Health's Drinking Water State Revolving Fund, or vice versa. Section 302 of the SDWA allows the Commonwealth to transfer up to 33% of its Drinking Water State Revolving Fund (DWSRF) capitalization grant to its Clean Water State Revolving Fund (CWSRF) or an equivalent amount from its CWSRF to its DWSRF. This option also extends to the Bipartisan Infrastructure Law funding.

A. Sources of Funds

Virginia's required 20% state match for the Base Program capitalization grant, approximately \$3,094,800 and a 20% state match for the BIL funding, approximately \$7,031,800, is deposited into a dedicated state loan fund, the *Virginia Water Supply Revolving Fund* (§62.1-233 et seq.), established under the *Code of Virginia*. A funding summary is provided as [Attachment 4](#). There are no state match requirements for the BIL Emerging Contaminants funding, BIL Lead Service Line funding, or the funding for Hurricanes Helene and Milton and the Hawai'i Wildfires (SA-HMW).

Also specified in the *Code of Virginia*, and in conjunction with a VDH Memorandum of Understanding, are roles and responsibilities for the Virginia Resources Authority (VRA) pertaining to individual construction loans and processes. EPA allows states to charge a reasonable fee to administer the DWSRF Program. VDH reserves the right to apply a \$6,000 loan-closing fee on select projects. VDH can add this fee to the principal of the loan. VDH may designate part of the interest on a loan (from zero to 1.5%) as an administration fee and used by VDH for the administration of the program. Except for the origination and admin fee, all other repayments funds will return to the Fund for use on future construction or refinance projects. VDH will deposit collected fees in a separate, non-project account and use only for administration of the DWSRF Program.

B. Construction Projects

VDH intends to provide approximately \$27,973,364 in DWSRF Base Program construction funds (from the cap grant, state match, and repaid interest and principal), approximately \$53,306,800 in BIL funding, and \$23,155,000 in SA-HMW funding - see [Attachment 4](#). The PPL ([Attachment 1](#)) identifies the VDH construction projects to receive dollars for funding in priority order, with funding breakdowns and other relevant project information. The \$27,973,364 in Base Program funding and \$53,306,800 Million in BIL funding currently represents priority projects. The current PPL reflects \$104,435,164 in funding assistance offered; however, VDH will adjust this total based on EPA funding, applicant responses, project readiness in accordance with DWSRF criteria, changes in project scope, and/or actual construction bid results. VDH will utilize available SRF funds from prior year grant awards, repayment funds, make phased awards should any additional funds be required.

EPA established certain requirements and goals for use of the DWSRF funds for water infrastructure construction. VDH has captured the funds provided in support of these requirements and goals in [Attachment 2](#).

1. Loan Terms and Fees

Under the DWSRF Program, the repayment period for loans can be 20 years, 30 years or the life of the asset financed (whichever is less). To qualify for the 30-year term and be eligible for principal forgiveness, the borrower must qualify as “disadvantaged”. Market rates are based on VRA’s evaluation of the market conditions that exist the month prior to each loan closing or the all-in cost of leverage bonds.

For 20-year terms, the interest rate is set at 1% (100 basis points) below the market rate. For 30-year terms, the interest rate is set at one half of 1% (50 basis points) below the market rate. See the DWSRF Program Design Manual for details and the changes above.

2. Additional Subsidization

The DWSRF requires that no less than 26% of the capitalization grant amount and no more than a maximum 49% of the Base Program capitalization grant amount be provided in the form of subsidies for disadvantaged communities. BIL funding requires that 49% of the grant amounts in the DWSRF Supplemental and Lead Service Line categories be provided to disadvantaged communities, while 100% of Emerging Contaminants must be provided as principal forgiveness with 25% provided to disadvantaged communities. These may be negative interest rates, principal forgiveness, grants, or any combination of these. The VDH does not intend to provide any funding as negative interest rates or grants; however, principal forgiveness will be provided for eligible projects. The PPL, shown in [Attachment 2](#), identifies the amount and percent of the capitalization grant provided as principal forgiveness loans, to the projects that ranked high enough to fund. Any subsequent revision to this PPL will likewise demonstrate that between 26% and 49% of the capitalization grant will be provided via principal forgiveness loans. See [Attachment 2](#).

3. Green Infrastructure

Water efficiency, energy efficiency, green infrastructure, and/or other environmentally innovative activities are optional to receive funds under the DWSRF. VDH will attempt to meet EPA’s goal of 20%. The efficiency projects VDH expects to fund are shown in [Attachment 2](#).

4. Assistance to Small Communities

All states are required to provide, to the extent possible, a minimum of fifteen percent (15%) of funds available annually for loans to small systems. Small systems are those that serve fewer than 10,000 persons. The amount of funds VDH expects to be able to provide to small systems is shown in [Attachment 2](#).

5. Emergency Projects

VDH may bypass one or more projects identified in this IUP to provide funding for an emergency project where an imminent and severe public health or water quality problem exists, that requires the immediate construction of facilities to eliminate an existing potentially hazardous condition. Emergency projects are described in the DWSRF Program Design Manual.

VDH may fund a project not on the current PPL only if it meets the emergency criteria. Emergency projects are expected to meet requirements for technical, financial, and managerial capacity, environmental review, and other cross-cutting Federal authorities as applicable prior to funds being disbursed.

6. Project Requirements

All projects must meet requirements for adequate technical, financial, and managerial (T, M, F) capacity, federal super cross-cutting authorities (i.e. Davis-Bacon Wage Act, American Iron and Steel provisions, Build America, Buy America and Disadvantaged Business Enterprises), and DWSRF program requirements. Projects designated by VDH as “equivalency” will be required to meet additional federal cross cutters such as Single Audit and other reviews prior to fund disbursement. VDH reviews each project to ensure requirements are met prior to loan closing. Staff will review phased projects or those identified as design-build to ensure all requirements are met before funds are disbursed.

7. Project By-passes

In order to meet the established goals, conditions, and requirements of the DWSRF capitalization grant, VDH reserves the right to bypass higher ranked projects identified in the PPL. Projects may be by-passed in accordance with the DWSRF Program Design Manual and in compliance with EPA requirements due to the owner’s inability to meet Program requirements in a timely manner. Any previously bypassed project identified on an IUP will be given consideration for future SRF loan funding.

8. Revisions to the Project Priority List

During any subsequent revisions to the PPL, VDH will attempt to meet all EPA requirements including overall grant award conditions. It must be recognized that this is a challenge as VDH may not have all of the guidance on newer requirements at the time of award. VDH-ODW will work with project owners if this happens.

C. SET-ASIDES:

The set-asides are four categories of non-project funds that are “set side” and used for specified purposes up to a maximum amount allowable by federal statute. VDH determines the level of set aside funding each based on the activities and projects proposed by VDH staff, waterworks owners, and public input under each funding year. Attachment 3 to this IUP lists the suggested uses of set-aside funds proposed during the solicitation or public input phase of IUP development. An overview of major funding initiatives for the set-aside funds is given below. VDH reserves the right to utilize any unrequested available funds out of the 4, 2, and 10 percent set-asides in future years, if needed.

1. Administration and Technical Assistance (maximum of 4% of the cap grant):

A portion of the BIL Supplemental 4% is requested and the remainder is reserved as “banked” funds for any future DWSRF grant years.

- a. Administration – These funds will support the administrative functions of the DWSRF Program, including the Financial and Construction Assistance Program (FCAP) Division Director, one FCAP Project Officer, the FCAP Project Team Lead, three FCAP Project Managers, a contracted part time FCAP Project Manager, and a part time fiscal technician. The remaining DWSRF staff members are identified in the State Program Management (10%) section. Other administrative costs pertain to the review of applications and selected projects, application workshops, environmental reviews, analysis of applicants’ ability to repay loans, and VDH travel to meetings sponsored by EPA, CIFA, VRA, VRWA, AWWA and others.

- b. From the DWSRF administration, fees charged to DWSRF loan recipients VDH funds the Virginia Resources Authority (VRA) for credit analysis summaries for each project, project loan closings, funding disbursements, accounting tasks, compliance review of closed loans, and annual audit of the construction loan fund and general fund management. VDH intends to fund any additional costs for VRA from the 4% set-aside.
- c. VDH provides funding to Virginia Resources Authority (VRA) for credit analysis summaries for each project, project loan closings, funding disbursements, accounting tasks, compliance review of closed loans, and annual audit of the construction loan fund. VDH funds VRA costs with administration fees charged to DWSRF loan recipients. If the administration fees are insufficient to fund VRA, VDH may use a portion of this set aside to cover any additional costs.

2. Small System Technical Assistance (maximum of 2% of the cap grant):

Virginia requests a portion of the BIL Supplemental 2% available and allowed in the Small System Technical Assistance set-aside. VDH reserves the remaining funds as “banked” funds to be used in future grants.

- a. VDH will fund support one part-time data entry positions and five inspector positions to cover transient non-community waterworks.
- b. Funding is provided for travel and training for these positions.

3. State Program Management (maximum of 10% of the cap grant):

Virginia requests a portion of the BIL Supplemental 10% available and allowed of set-aside funding for the current year. VDH reserves the remaining funds as “banked” funds to be used in future grants.

- a. Public Water System Supervision
 - Three FCAP Project Engineers to facilitate technical and administrative reviews for DWSRF construction project.
 - One FCAP Project Officer
 - Two Environmental Health Specialists.
 - Sixteen full-time field office Environmental Inspector positions.
 - One Environmental Health/Compliance Coordinator to assist in preparing and processing formal enforcement actions and monitor compliance for enforcement targeting tool (ETT) and violations reporting.
 - One ODW Office Director
 - One FCAP Program Support Technician
 - One Assistant District Engineer

Travel costs associated with meetings/conferences and seminars under the State Program management set-aside include:

- Costs associated with training and workshops for ODW staff.
- ASDWA Conferences, Workshops and Meetings
- Source Water Protection Meetings
- Virginia Rural Water Association Annual Conference and Exposition.
- ASDWA Data Management Users Conference

- Environment VA Symposium
- Area Wide Optimization Program Annual Meeting
- Virginia Optimization Regional Meetings
- AWWA National Conference (ACE)
- Leadership Team Retreat
- AWWA WaterJam/Workshops and Seminars
- MMM & ESSW: Understanding Concepts in Capacity Development - ODW staff
- Leadership Training
- SDWIS supplemental Users Guide Committee
- Virginia Tech Training Courses (various)
- General Costs for Travel to other training events
- Compliance Specialists / Data Managers Meeting
- New Employee Orientation
- Water Well Conference
- Virginia Health Catalyst Summit
- Sanitary Survey Training

Contract costs associated with the State Program management set-aside include:

- Office of Information Management support and Upgrades for computer software
- Computer software expenses
- Document Management System
- Contracted support to ODW to update Permits and Waterworks Description Sheets (contracted Engineering support)

b. Source Water/ Capacity Development/Operator Programs:

- Activities funded under the 15% set-aside.

4. Local Assistance and other State Programs (maximum of 15% of the cap grant):

Virginia is requesting a portion of the available and allowed Local Assistance and other State Program funds 15% set-aside from the BIL Supplemental funds, with no more than 10% in a category. Initiatives funded upon prior year grants, as well as newly established initiatives, will continue in this grant performance period.

a. Loan for Land and Protection Measures – No funding is requested this year.

b. Capacity Development Staff Salary:

- Capacity Development Division Director,
- One Capacity Development Supervisor, three Sustainability Coordinators,
- One Operator Certification Training Coordinator,
- One Security Officer.
- Part-time Office Specialist

Travel costs for the position above:

- Travel costs for Capacity Development staff and other ODW staff instructors to implement Workshops and travel to conferences
- Capacity Development travel costs associated with providing direct technical assistance to waterworks across Virginia.
- Travel costs associated with training for the Security Officer position.

- Security Officer travel costs associated with providing direct technical assistance to waterworks across Virginia.
- Virginia Tech's Water Operators Short School Instructors travel costs.
- Virginia Tech's Distribution Course Instructors travel costs.
- General Travel Costs, costs not directly associated with named activities but included within the Capacity Development Strategy.

Contractual Activities for Capacity Development and Operator Training include:

During the solicitation and public input phase of developing the IUP, VDH-ODW received suggestions for various training, education and certification courses. VDH-ODW contracts these services and will evaluate the role of each contractor annually, with adjustments made by the contractors as appropriate. All procurement rules of the Commonwealth of Virginia will be utilized to solicit responsible parties to perform these services. VDH-ODW will develop contracts with measurable goals.

- Engineering Consultants - Small Scope Engineering Services: VDH-ODW will solicit for engineering services through consulting engineering firm(s) to provide small scope (each approximately \$20,000 or less) project engineering directly to small water systems that do not have the financial, technical and or managerial capacity to retain an engineer. These projects shall address compliance and/or capacity issues of small public community systems serving less than 10,000 people.
- Source Water Protection Plans (SWPP) Contract: ODW has procured SWPP contractors for working with waterworks in developing and implementing Source Water Protection Programs. VDH-ODW will provide the selected contractors with scope of services similar to previous contracts. Contractor activities will include: participation in local advisory committee meetings, prepare Source Water Protection Plans, prepare public information brochures, and recruit new waterworks. This activity will continue into the future, as long as need exists. There are several source water protection projects in development.
- American Water Works Association – Cross Connection Control, this activity will be funded again this year. These are a 16-hour and two 40-hour training courses per year in cross connection control concepts and backflow device testing for at least 10 students per class.
- Auto-dialer Services: This item is for a system and service to provide automated calls to waterworks reminding them of the need to take compliance samples. One of the most prevalent violations in Virginia is the "Failure to Monitor".
- SERCAP – Basics of Financial Management for Small Systems will be funded again this year.
- Lead and Copper Rule Technical Assistance: ODW, through a contractor, will provide ongoing technical assistance to waterworks. The contractor will assist waterworks with completing their initial lead service line inventory and completing notifications to customers with lead and potential lead service lines. The contractor will provide training webinars covering the following topics as required by the Lead and Copper Rule Improvements:
 - Preparing the baseline lead service line inventory
 - Identifying unknown lead status service lines
 - Lead service line replacement plan

- Customer notification requirements following a disturbance of a lead, galvanized requiring replacement or lead status unknown service line
- Lead notification and mitigation requirements
- Lead monitoring at schools and child-care facilities, including preparing the list of schools and childcare facilities, public education, and sampling requirements
- Corrosion control treatment review in advance of the LCRI compliance date
- LCRI tap sampling requirements – preparing for new tier and sampling requirements, preparing a tap sampling plan
- LCRI reporting, public notification, public education, and recordkeeping requirements

This training will be provided in preparation for the Lead and Copper Rule Improvements over a multi-year contract. The webinars will be recorded and posted on ODW's website. The technical assistance provided was procured via competitive RFP.

- VA-AWWA Virginia WARN Website and Database Hosting: ODW plans to provide support for the VA WARN forward-facing member access database to post emergency requests and respond to other system emergencies. The website is the conduit for members to receive emergency and non-emergency communications regarding the VA WARN. Additionally, the website provides resources and information for members and non-members during emergencies and emergency preparedness.
- VA-AWWA Small System Operator Training EPA SDWA: This will be a two in-person courses (1 day, minimum 10 students per class) focusing on technical topics identified in conjunction with ODW to meet specific SDWA training needs of small waterworks.
- Cybersecurity for waterworks (EPA contractor and/or VDH procured contractor)

Other:

Planning and Design Funded Projects: As in previously approved Section 1452 grant agreements, VDH-ODW provides approximately nine grants as direct technical assistance to waterworks. Grants are for activities such as the development of preliminary engineering planning and specifications for eligible projects; the performance of source water quality and quantity studies, water audits/leak detection/reduction, drilling test wells, etc. to determine source feasibility; and other similar technical items. This type of technical assistance is most helpful to the small, rural, financially stressed waterworks which have not traditionally been exposed to the SDWA requirements or who need small amounts of grant money (up to \$45,000 per technical assistance grant). VDH-ODW anticipates this activity continuing in the future. Technical Assistance grants will include both construction and non-construction planning funds. Non-construction projects are; as examples: Rate and Financial Studies, Asset Management, Business Plan preparation, Climate Change Mitigation, and Sustainability/Reliability Studies. VDH-ODW funds all projects through the expenditure reimbursement process.

Receivership Program – No additional funding for this current grant cycle.

Special Sampling: EPA previously approved this category under the 10% set-aside. There is a contract currently in place with Greenwater Environmental for this item. VDH-ODW is looking to provide non-compliance sampling assistance in case of need for occurrences like Harmful Algal Blooms (HABs), spills and other unforeseen events.

Virginia Tech course “Management, Methods and Money: Understanding Concepts in Capacity Development” addresses planning, green infrastructure, asset management, and operations liability. VDH-ODW has established a target attendance of twenty-four (24) owners/decision-makers for each course.

Virginia Tech course “Establishing a Successful and Sustainable Waterworks: Revenues, Rates, and Funding Short Course” will assist operators in sustaining and upgrading their waterworks facilities. A contract with Virginia Tech has been established to conduct this training. VDH-ODW has established a target attendance of twenty-five (25) operators for each course.

Virginia Tech conducts the course “Hands on Training – Full Scale Water Plant” annually for waterworks owners and operators at a surface water treatment plant.

Virginia Tech course “Applied Math and Basic Science for Waterworks Operators” short course.

Virginia Tech course Groundwater Small Systems Operations Short Course: This course is geared towards personnel working at small groundwater systems.

Virginia Tech course Applied Groundwater Math for Small Systems: This course focuses on the math associated with small groundwater systems, ranging in classification from Class 5 to 6. The course is also designed to complement the short course, Basic Groundwater Course for Small Systems. Among the topics covered in this second groundwater course over a 3-day period are basic math, treatment systems, disinfection, water source, administrative math, hydraulics, and chemical feeder math.

Virginia Tech course Operations and Maintenance of Distribution Systems Course: A collaboration of Virginia Tech, Virginia Beach and VDH-ODW to provide a weeklong course. VT will hold a second course held in Roanoke. Both courses are devoted to all aspects of effective operation and maintenance of the distribution system. Topics include water quality parameters, including odors, tastes, corrosion by-products, pathogens, and turbidity, leakage and flushing. Course enrollment will be limited to 15 people, so that the instructor can conduct various hands-on exercises.

Virginia Tech course Professional Development Seminars: provides specialty seminars and training events for waterworks owners, such as emergency planning, business plan development, emerging technology, regulatory compliance, basic bookkeeping concepts, etc. These workshops will be conducted using the V-Tel automated system at 13 locations across Virginia or will be deployed via an online application as a webinar. This activity is anticipated as continuing into the foreseeable future.

Virginia Tech provides, through contract, subsidies to training courses for disadvantaged operators/owners to attend training at an annual weeklong water operator short school

Virginia Tech provides Administrative Services related to Operators Certification and Capacity Development training courses and technical assistance to small waterworks The

administrative services include setting up an annual meeting for the Capacity Development and Operator Certification Work Group as well as other marketing and informational services not directly related to any one Virginia Tech course.

Virginia Tech conducts a Water Operations Math Course which will be a virtual course (Four half-day sessions, 50 students) specifically focused on water treatment mathematical calculations on specific areas that operators are tested on when taking their closed book licensure exams.

Mountain Empire Community College - VDH – ODW will continue to fund and support the on-line learning course offered to individuals pursuing licensing as a water operator. This 2-year Associate's degree program provides much needed education and training for people living in Virginia.

Virginia Tech – Course on Contaminants of Concern is an in-person course lasting 2 ¾ days, and allowing up to 25 students, focuses on understanding emerging contaminants and their impact on waterworks operation and including how to handle communications with the public.

Virginia Tech will conduct a Security Training course to include an in-person course (2 days, 25 students) focusing on physical and cyber security topics including risk/hazard analysis and tabletop exercise.

Giles County Public Service Authority (GCPSA) will utilize drone technology for aerial leak detection of multiple PWSID's under their control. GCPSA will share all data associated with the project with VDH. The technology seems promising for locating leaks in the mountainous and rocky terrain of the western portion of the state. VDH hopes that the findings will support utilization of this technology for more utilities.

Virginia Rural Water Association will purchase leak detection equipment to provide free direct technical assistance to communities across the state.

c. Delineate Source Water Areas

- No activity funded under this category.

d. Wellhead Protection

Personnel:

- o One Special Project Engineer will manage the Source Water Assessment and Protection programs (08888),
- o One Statistical Analyst to evaluate potential impacts to public drinking water sources, as well as maintaining the Environmental Review Log that tracks requests for environmental reviews (WA020), and,
- o One Human Services Program Consultant to develop, maintain and support GIS for Source Water Protection, Source Water Assessment, and Emergency Management (07856).

Contractual: (See Attachment 5, section (V-F))

VDH-ODW will solicit wellhead protection proposals, evaluate the proposals submitted, establish funding agreements and conduct the program management. This activity is anticipated to continue into the future.

Technical Assistance Providers for Source Water Protection Plans Contract: VDH-ODW has awarded contracts with these SWPP contractors for working with waterworks in developing and implementing Wellhead Protection Programs. Activities consist of the following: participation in local advisory committee meetings, prepare Wellhead Protection Plans, prepare public information brochures, and continue recruiting new waterworks. This activity will continue into the foreseeable future.

VI. Public Review and Comment

In compliance with the requirement in SDWA sec. 1452(b)(1) to provide for public review and comment, the IUP undergoes public comment period that is posted on the VDH-ODW website and the Virginia Regulatory Town Hall website. VDH considers all meaningful public input and comments and makes revisions to the IUP and project priority lists if necessary.

The VDH plans to post this Intended Use Plan under the Financial & Construction Assistance Programs at <http://www.vdh.virginia.gov/drinking-water/> and under the Virginia Regulatory Town Hall at [Virginia Regulatory Town Hall View General Notice](#) or a 30-day public comment period beginning approximately August 1, 2025 and ending September 1, 2025. Any comments received will be addressed and an updated Intended Use Plan will be available.

ATTACHMENT 1
2025 PROJECT PRIORITY LIST

Priority	Project #	Owner Information	Project Name	Project Description	Service Connections	Point Total	Designation	Program Type Code	Principal Forgiveness	Project Cost	SRF Amount for this IUP	Grant Cumulative Amounts	Notes
1	WSL-017-25-E	Crewe, Town of	Town of Crewe Water Distribution System Replacement	Replace waterline	982	457	H-P	BASE	\$4,556,000	\$4,556,000	\$4,556,000	\$4,556,000	1
2	WSL-014-25-E	City of Danville	Water Main Replacement Phase 2 of Roanoke Area Distribution System Improvements Part A	Replace waterline	182	403	H-P	BASE	\$2,604,620	\$4,201,000	\$4,201,000	\$8,757,000	PF, 1
3	WSL-016-25-E	Western Virginia Water Authority	Jefferson Pump Station and Watermains	Replace pump station and waterline	645	279	H-P	BASE	\$0	\$10,675,564	\$10,675,564	\$19,432,564	2
4	WSL-013-25-E	City of Winchester	John Flanagan Construction Funds (Phase 2)	WTP Improvements to remove DBP	1,893	230	H-P	BASE	\$0	\$8,540,800	\$8,540,800	\$27,973,364	2
1	BIL-010S-25	John Flanagan WA	PRV Sub-Zones for Needmore and Pleasant Hill Pressure Zones	Distribution system improvements to remove DBP	14,193	1,395	H-C	SUPP	\$8,966,444	\$8,966,444	\$8,966,444	\$8,966,444	PF
2	BIL-012S-25	Pulaski, Town of	Water Treatment Plant Renewal	WTP Improvements to remove DBP	3,294	1,283	H-C	SUPP	\$1,289,000	\$1,289,000	\$1,289,000	\$10,255,444	PF
3	BIL-013S-25	Berryville, Town of	Distribution System Replacement (Planning and Design Only)	Planning and Design to replace waterline	1,662	1,062	H-C	SUPP	\$0	\$6,000,000	\$6,000,000	\$16,255,444	2
4	BIL-014S-25	Quantico, Town of	Raw Water Pumps and Conveyance System Upgrade (Planning and Design Only)	Planning and Design to upgrade distribution system	135	434	H-P	SUPP	\$0	\$2,300,000	\$2,300,000	\$18,555,444	2
5	BIL-020S-25	Blackstone, Town of	Horsepasture Price Road Waterline Extension	Extend waterline to connections currently served by private wells	1,352	336	H-P	SUPP	\$1,351,431	\$1,351,431	\$1,351,431	\$19,906,875	PF
6	BIL-021S-25	Henry County PSA	Leemaster Waterline Replacement/Water Meters Replacement	Replace waterline and meters	212	245	H-P	SUPP	\$3,337,308	\$8,557,200	\$8,557,200	\$28,464,075	PF, 1
7	BIL-022S-25	Buchanan County PSA	FCWSA PFAS Treatment and Compliance	Planning, design, and construction of treatment for one or more of FCWSA smaller waterworks	173	239	H-P	SUPP	\$2,333,235	\$4,675,475	\$4,675,475	\$33,139,550	PF, 1
1	BIL-012C-25	Fauquier County Water and Sanitation Authority	Middle Fork WTP Upgrade for PFAS Treatment Phase 2	Upgrade existing WTP for PFAS treatment	3,682	972	H-C	BIL - C	\$5,149,000	\$5,149,000	\$5,149,000	\$5,149,000	PF
2	BIL-010C-25	Washington County Service Authority	Emerging Contaminants Removal Project (Phase 3)	Crozet WTP Phase 3 WTP upgrades for PFAS removal	20,008	891	H-C	BIL - C	\$4,967,000	\$4,967,000	\$4,967,000	\$10,116,000	PF
3	BIL-011C-25	Rivanna Water and Sewer Authority	WTP upgrades for storm resiliency (Planning Only)	Planning and Design WTP Upgrades	38,144	600	H-C	BIL - C	\$1,000,000	\$1,000,000	\$1,000,000	\$11,116,000	PF
1	HMMV-010-25	Pulaski, Town of	Combined System Redundancy Fortification/Generators Project	Backup Generators and purchase land above spring and construct storm water diversion features	3,937	914	H-C	SA-HMMV	\$660,085	\$660,085	\$660,085	\$660,085	PF
2	HMMV-011-25	Washington County Service Authority	Water System Repairs	Replace storage tank add backup generators	20,008	618	H-P	SA-HMMV	\$8,011,997	\$8,011,997	\$8,011,997	\$8,672,082	PF
3	HMMV-012-25	City of Galax	Water Treatment Plant Flood Mitigation	Replacing airlines, actuators, and water intake valves at intake and in WTP to facilitate automated plant control especially during flooding events	2,222	521	H-P	SA-HMMV	\$4,451,000	\$4,451,000	\$4,451,000	\$13,123,082	PF
4	HMMV-013-25	Town of Pennington Gap	Hurricane Helene Resiliency	Install storage tank, improve access to water system components, replace and upgrade SCADA, stormproof valve sheds against flooding	845	440	H-P	SA-HMMV	\$304,020	\$304,020	\$304,020	\$13,427,102	PF
5	HMMV-014-25	Montgomery County	Shiloh Tank	Replace storage tank to provide more usable capacity	3,396	332	H-P	SA-HMMV	\$3,176,659	\$3,176,659	\$3,176,659	\$16,603,761	PF
6	HMMV-015-25	Pulaski County PSA	Rich Creek Valve Temporary Booster Station	Connection to redundant water source including new booster pumping station, waterline, and appurtenances	4,855	332	H-P	SA-HMMV	\$5,881,000	\$5,881,000	\$5,881,000	\$22,484,761	PF
7	HMMV-016-25	Giles County PSA	Generator Project	Backup Generators	5,359	318	H-P	SA-HMMV	\$487,000	\$487,000	\$487,000	\$22,971,761	PF
8	HMMV-017-25	Wise County Public Service Authority			4,124	240	H-P	SA-HMMV	\$183,239	\$183,239	\$183,239	\$23,155,000	PF

NOTES:

- The loan portion of the project will be funded with a 30 year loan (or the design life of the assets) at 1/2% below prime rate.
- The loan portion of the project will be funded with a 20 year loan (or the design life of the assets) with the interest rate set at closing, 1% below prime rate.
- The loan portion of the project will be funded with a 30 year loan (or the design life of the assets) with an effective 0% interest.
- Emergency funding, terms will be determined at a later date.

Designation Codes:

- H - Health (A-Acute, C-Chronic, P-Public)
O - Other Eligible Project
I - Incomplete Application
N - Not Eligible, N/A - Not Applicable
PF - Principal Forgiveness LSL -

Attachment 2

Equivalency

At this time VDH has chosen to require equivalency of all projects except the SA-HMW projects.

Disadvantaged

All projects provided principal forgiveness “PF” in the Notes column of the Project Priority List (PPL) for the DWSRG Base and BIL General Supplemental, are disadvantaged.

- The DWSRF Base grants funded projects are designated in Attachment 1 with a “WSL” prefix and are located in the first or “top” section of the PPL.
- The BIL/IIJA General Supplemental grant funded projects are designated with an “S” after the second number as in this example “BIL-023S-25”. These projects are located in the second section from the top of the PPL.
- Additionally, Washington County Service Authority in the BIL/IIJA Emerging Contaminants project is disadvantaged in the third section from the top of the PPL. The BIL/IIJA Emerging Contaminants grant funded projects are designated with an “C” after the second number as in this example “BIL-010C-25”.
- The SA-HMW projects are all provided 100% principal forgiveness as provided in the appropriation.

Assistance to Small Systems

As evidenced in the “Service Connections” column of the PPL, the majority of the systems receiving assistance serve fewer than 10,000 people and would be designated as small systems. Only four projects serve waterworks with more than 10,000 people.

Attachment 3

Item	Name	Suggested Amount	Activity Description	Funded Yes/No	Amount
Management Methods & Money: Concepts in Capacity Development Course	Virginia Tech	\$ 34,165.00	In-person course (2.75 days, 20 students) focusing on managerial topics (staffing, asset management, planning, budget) for improving capacity of waterworks.	Yes	\$ 34,200.00
Establishing a Successful & Sustainable Waterworks: Revenues, Rates & Funding	Virginia Tech	\$ 32,506.00	In-person course (2.5 days, 20 students) focusing on financial topics (revenue, rates, funding) essential for maintaining and upgrading water facilities.	Yes	\$ 33,000.00
Hands-On Training at a Full Scale Water Plant	Virginia Tech	\$ 50,394.00	Two in-person courses (2 days, 18 students per class) held at a water treatment plant to teach students the hands-on skills needed to effectively operate and manage a full scale water plant.	Yes	\$ 51,000.00
Applied Math and Basic Science for Waterworks Operators	Virginia Tech	\$ 42,277.00	In-person course (4.5 days, 20 students) geared towards all water treatment processes, especially conventional treatment, as well as disinfection that incorporates mathematical calculations along with providing theory behind the different treatment processes.	Yes	\$ 43,000.00
Groundwater Small Systems Operations	Virginia Tech	\$ 31,468.00	In-person course (2.5 days, 20 students) for Class 5 and 6 water operator focusing on the operation, maintenance, and administration of a very small waterworks.	Yes	\$ 32,000.00
Applied Groundwater Math for Small Systems Course	Virginia Tech	\$ 28,921.00	In-person course (2.5 days, 20 students) focusing on on small groundwater well systems and treatment technologies that are utilized in these systems with mathematical calculations for all material presented.	Yes	\$ 29,000.00
Operation & Maintenance of Distribution Systems Short Course	Virginia Tech	\$ 90,213.00	Two in-person courses (4.5 days, 18 students per course) consisting of classroom and hands-on instruction on operations and maintenance of water distribution systems.	Yes	\$ 90,000.00
Professional Development Seminars: Continuing Education for Water Utility Owners, Managers	Virginia Tech	\$ 151,295.00	Nine live webinars (3 hours each, up to 200 students per webinar, totaling 1,800 max participants) covering a broad range of water utility topics; each webinar will be a different topic.	Yes	\$ 151,000.00
Operator Subsidy: Water Short School	Virginia Tech	\$ 12,848.00	Funding to support eight students (\$1,606 each) to cover costs to attend the in-person Water Operations Short Course in preparation for licensing examination.	Yes	\$ 13,000.00
Administrative Services	Virginia Tech	\$ 39,063.00	Administrative services relating to assist ODW with outreach to waterworks personnel in Virginia on training, licensure, professional development, surveys, meetings, marketing, course coordination.	Yes	\$ 39,000.00
Water Operations Math Course	Virginia Tech	\$ 23,540.00	Virtual course (Four half-day sessions, 25 students) specifically focused on water treatment mathematical calculations on specific areas that operators are tested on when taking their closed book licensure exams.	Yes	\$ 23,500.00
Physical & Cybersecurity Training for Water Systems Personnel	Virginia Tech	\$ 27,099.00	In-person course (2 days, 20 students) focusing on physical and cyber security topics including risk/hazard analysis and table top exercise.	Yes	\$ 28,000.00
Small Systems Operator Training Services: EPA SDWA	AWWA	\$ 11,900.00	Two in-person courses (1 days, minimum 10 students per class) focusing on technical topics identified in conjunction with ODW to meet specific SDWA training needs of small waterworks.	Yes	\$ 12,000.00
Cross Connection Control and Backflow Training Program	AWWA	\$ 32,472.00	One 16-hour and two 40-hour training courses per year in cross connection control concepts and backflow device testing for at least 10 students per class.	Yes	\$ 32,000.00
VA WARN Website Hosting and Member Database	AWWA	\$ 3,600.00	Annual costs associated with the Virginia Water and Wastewater Response Network (WARN), a mutual aid and response network, website and member database	Yes	\$ 3,600.00
On-Line Associate in Applied Sciences Water Degree Program	Mountain Empire Community College	\$ 63,717.00	Support and continued enhancement of an on-line Associate in Applied Sciences Water Degree Program including 13 courses and extensive references for water operators.	Yes	\$ 64,000.00
Aerial Leak Detection Set Aside	Giles County Public Service Authority	\$ 46,000.00	Funding to support use of drone technology for aerial leak detection of multiple PWSID's under their control. GCPSA will share all data associated with the project with VDH. The technology seems promising for locating leaks in the mountainous and rocky terrain of the western portion of the state.	Yes	\$ 46,000.00
Leak Detection Equipment Set Aside	Virginia Rural Water Association	\$ 36,750.00	Funding to purchase leak detection equipment so that VRWA can provide free leak detection and direct technical assistance to communities across the state.	Yes	\$ 36,750.00

Attachment 4

Virginia Drinking Water State Revolving Fund Funds Availability for FY2025 Projects As of April 30, 2025

Base Program Sources

Local Government Investment Pool	\$ 11,961,958	
EPA Drinking Water Checking Account	3,643,557	
Externally Managed Investments - Drinking Water Fund	107,405,740	
Receivable: Disbursement of Repayment dollars for Fed/State not received	<u>21,307,363</u>	
Base Cash, Investments, and Receivables		\$ 144,318,618

Federal Cap Grant and State Match

FY20 Base Federal Cap Grant	\$ -	
Plus: FY22 BIL Supplemental Funding and State Match (net of admin/set-asides)	30	
Plus: FY22 BIL Emerging Contaminants Funding (gross)	11,902,984	
Plus: FY22 BIL Lead Service Line Replacement (net of admin/set-asides)	33,329,312	
Plus: FY23 Federal Base Cap Grant and State Match (net of admin/set-asides)	5,440,864	
Plus: FY23 BIL Supplemental Funding and State Match (net of admin/set-asides)	28,111,308	
Plus: FY23 BIL Emerging Contaminants Funding (gross)	10,789,000	
Plus: FY23 BIL Lead Service Line Replacement (net of admin/set-asides)	48,717,000	
Plus: FY24 Federal Base Cap Grant and State Match (gross)	7,897,200	
Plus: FY24 BIL Supplemental Funding and State Match (net of admin/set-asides)	29,212,200	
Plus: FY24 BIL Emerging Contaminants Funding (gross)	10,789,000	
Plus: FY24 BIL Lead Service Line Replacement (net of admin/set-asides)	49,339,000	
Plus: FY25 Federal Base Cap Grant and State Match (gross)	-	
Plus: FY25 BIL Supplemental Funding and State Match (gross)	-	
Plus: FY25 BIL Emerging Contaminants Funding (gross)	-	
Plus: FY25 BIL Lead Service Line Replacement (gross)	-	
Plus: FY25 Disaster Funding (gross)	<u>-</u>	
Net Federal Cap Grant and State Match Available		\$ 235,527,898

Other Sources

Remaining unspent SRF bond proceeds	\$ -	
12-month loan principal payments	12,587,535	
12-month loan interest payments	<u>2,694,198</u>	
Total Other Sources		\$ 15,281,734
 Total Sources		 \$ 395,128,249

Attachment 4 (continued)

Uses

Funds Committed for Closed Projects (84):

Base Program Projects (23)	\$ (12,976,611)	
BIL Supplemental Projects (6)	(17,081,530)	
BIL Emerging Contaminants Projects (2)	(86,984)	
BIL Lead Service Line Projects (53)	(29,511,354)	
Total Funds Committed for Closed Projects		(59,656,479)

Funds Committed for Unclosed Projects (68):

Base Program Projects through FY16-FY25 (24)	\$ (84,731,370)	
BIL Supplemental Funding Projects for FY22-FY25 (23)	(83,820,613)	
BIL Emerging Contaminants Projects for FY22-FY25 (9)	(44,183,000)	
BIL Lead Service Line Projects for FY22-FY24 (12)	(50,364,211)	
BIL Lead Service Line Projects for FY25 (0)	-	
Disaster Recovery Projects for FY25 (0)	-	
Total Funds Committed for Unclosed Projects		(263,099,194)

Other Uses

12-month outstanding bond principal payments	(1,290,000)	
12-month outstanding bond interest payments	(1,449,400)	
Total Other Uses		(2,739,400)

Total Uses **\$ (325,495,073)**

Net Remaining Funds Available **\$ 69,633,176**

Overage Sources:

Base Program	\$ 72,491,035	
Supplemental	(43,578,635)	
Emerging Contaminants	(10,789,000)	
Lead Service Line	51,509,747	
Disaster Recovery	-	
	\$ 69,633,146	

Attachment 5 - Public Notice

(This notice is an example of last year's notice, this year IUP will be noticed approximately from August 1, 2025 to September 1, 2025)



General Notice

Drinking Water State Revolving Fund Program

Date Posted: 11/26/2024

Expiration Date: 12/26/2024

Submitted to Registrar for publication: NO

[30 Day Comment Forum](#) closed. Began on 11/26/2024 and ended 12/26/2024 [1 comments]

Drinking Water State Revolving Fund Program Intended Use Plan for FY2024

Dear Waterworks Owners and Other Interested Parties:

Under the Safe Drinking Water Act, Congress authorizes capitalization grants to the states through the Drinking Water State Revolving Loan Fund Program (DWSRF). As part of the annual DWSRF grant application process, Virginia seeks meaningful public involvement through input, review and comments. The Virginia Department of Health's Office of Drinking Water (ODW) prepared a draft Intended Use Plan (IUP) that explains the goals of the program, funding priorities, how ODW intends to use the grant funds and other important information submitted from the funding requests and set-aside suggestions.

The Virginia Department of Health (VDH) received several funding requests and set-aside suggestions following the February 2023 DWSRF funding solicitation announcement. The draft IUP and draft project lists are open for review and comment by the public for a period of 30 days and it is available on the ODW website at <https://www.vdh.virginia.gov/drinking-water/drinking-water-state-revolving-fund-program/>.

A Public Meeting will not be held. Written comments and recommendations regarding the IUP will be accepted until Thursday, December 26, 2024. VDH considers all public input and comments and will revise the IUP and project priority list as necessary. Please direct requests for information and written comments to:

Anthony Hess, FCAP Division Director
C/O Theresa Hewlett
Virginia Department of Health
Office of Drinking Water
James Madison Building
109 Governor Street
Richmond, Virginia 23219
Voice: (804) 864-7500
Fax: (804) 864-7521

The following information is provided under Drinking Water State Revolving Fund Program at: <https://www.vdh.virginia.gov/drinking-water/drinking-water-state-revolving-fund-program/>.

Alternatively, it may be found using the links below:

- [VDH's FY2024 Draft IUP](#)
- [VDH's FY2024 Preliminary Project Priority List/Comprehensive Project List](#)

The IUP is subject to change depending on the EPA's award allocations.

Contact Information

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