

Issue Analysis Form



Date: April 26, 2022

Item: REPORT - DWSRF Funding Opportunity

Lead Department(s): Engineering & Utilities

Contact Person(s): Frank Haltom

Description and Current Status

The Virginia Department of Health (VDH) administers the Drinking Water State Revolve Fund (DWSRF), which provides low interest loans for state approved projects that demonstrate a benefit to drinking water systems.

Staff spoke with Virginia Health Department officials on April 1st to discuss the eligibility of several County water projects for state and federal funding that VDH will disburse. Design and construction funds are eligible.

The projects that were discussed and considered eligible are:

1. Temple Avenue Tank & Booster Station
2. Route 156 Tank & Booster Station
3. 24" water line under the Appomattox River
4. Enlarge 16" water line in Colonial Heights to a 24" water Line to make full use of ARWA allocation – requires ARWA's Board approval.
5. Extension of 12" water line from intersection of Beaver Castle Road and James River Drive to the Rivers Edge water system (assumes completion of the water line extension to the Route 10 corridor)
6. Extension of the Central water system to connect the Prince George Woods water system – removes well from service and replaces existing transite (asbestos cement) pipe with new PVC pipe.
7. Lead Elimination Assistance Program (LEAP) Application - Lead Service Line Inventory and Replacement

Since the DWSRF is a low interest loan, there is not a matching requirement for DWSRF funded projects. The DWSRF could allow principal forgiveness on 26 to 35% of the amount awarded if the project serves a disadvantage community.

Applications are due on May 6th. VDH expects offer letters to be issued in July or August.

Government Path

Does this require IDA action? Yes No

Does this require BZA action? Yes No

Does This require Planning Commission Action? Yes No

Does this require Board of Supervisors action? Yes No

Does this require a public hearing?

Yes No

If so, before what date?

Fiscal Impact Statement

Award of funding could provide a loan at the subsidized, federal interest rate with a possibility of principle forgiveness on a portion of the loan. Award of funding could reduce the amount of funds utilized from the Utility Reserve Fund, Fund Balance, that is planned for these projects.

County Impact

Award of funding would allow for water improvements to be made to increase the water supply into the County and will allow the decommissioning of existing wells that serve these communities by providing a connection to the central water system, thereby improving the water quality and reliability to these areas.

Notes

None.