



# **Clean Water Financing & Assistance Program**

**January 31<sup>th</sup>, 2018**





# Clean Water Financing & Assistance Program

- Virginia Clean Water Revolving Loan Fund (VCWRLF)
- Water Quality Improvement Fund (WQIF)
- Stormwater Local Assistance Fund (SLAF)



# **Stormwater Local Assistance Fund**

- History
  - Enabled by the General Assembly in 2013
  - Administered by the State Water Control Board (SWCB) and DEQ
  - Established to provide matching grants (50%) to local governments for planning, design, and implementation of stormwater BMPs
  - Solicitations in FY14, FY15, FY16, FY17
  - To date approx. \$80 MM authorized for 193 eligible projects



# Who & What is Eligible?

## ➤ Who can apply:

- Local governments (any county, city, town, municipal corporation, authority, district, commission, or political subdivision)

## ➤ Eligible Costs:

- Reasonable and necessary costs associated with Clearinghouse approved BMPs, Stream Restoration Projects
- Engineering and Construction Costs
  - Geotechnical, ROW, Construction Administration, and Inspection
- NEW!- NPS Nutrient Credit Purchases



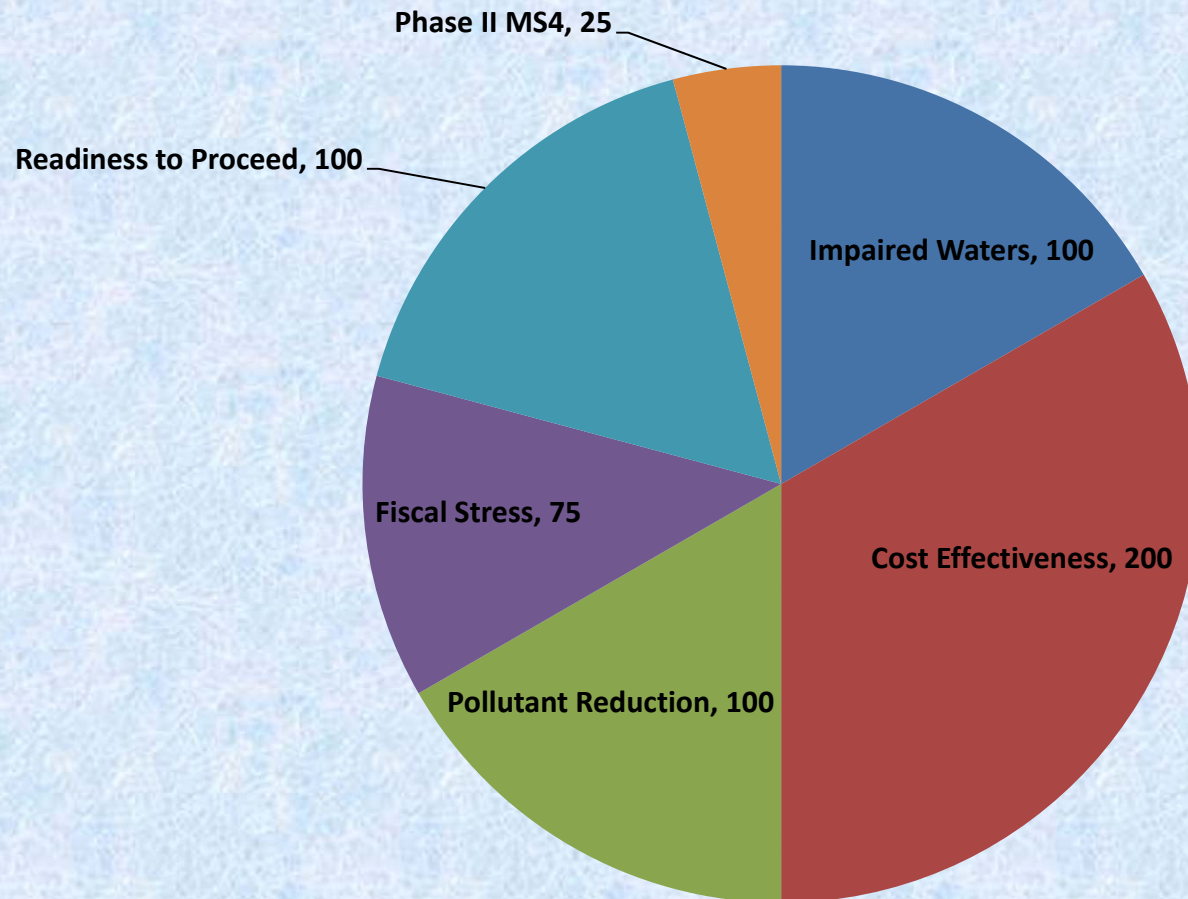
## ➤ Ineligible Costs:

- Municipal Employee Costs
- Administrative Costs
- BMP Operation or Maintenance
- Interest costs associated with borrowed funds
- Extraneous amenities not required for water quality





# Application Evaluation



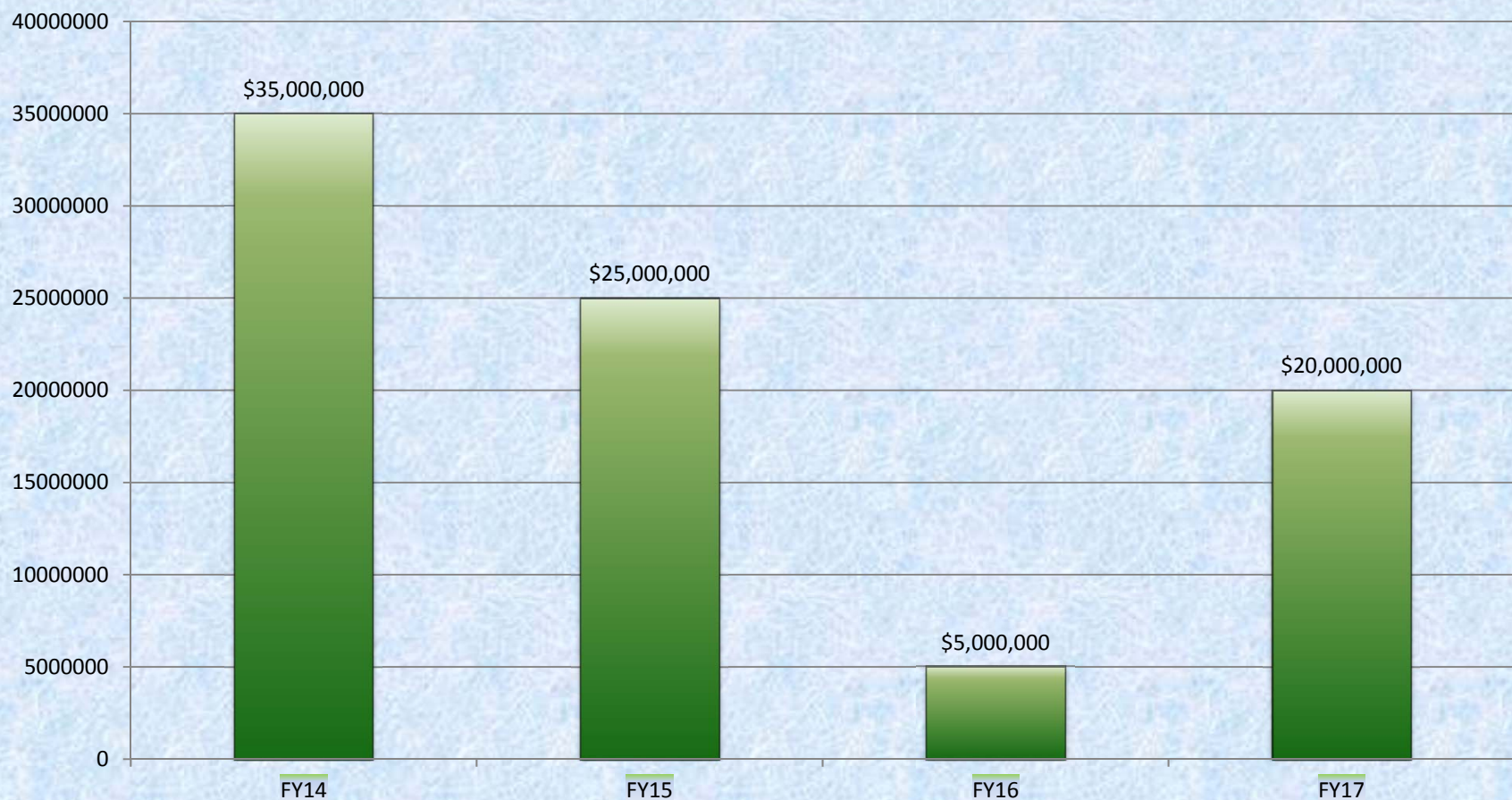


## **Incremental Cost Option for LID/Green Infrastructure Projects**

- Example: Local gov't is building a new school/municipal building with conventional roof structure and asphalt parking.
  - Potential Project- Utilize green roof and permeable paver parking lot in place of conventional methods.
  - Applicant may apply for the total cost of the LID/Green practice OR may apply for the differential in cost between the conventional technology and the LID/Green technology.
    - 2<sup>nd</sup> option allows for pollutant reduction efficiency evaluation based on the difference in cost instead of the entire cost.



# SLAF Appropriations





# Program Requirements

- Engineering/Professional Services Procurement
  - Must follow VPPA
- Plan & Specification Submittal
  - Pollutant Reduction Calculations (TP)
  - BMP Certification
  - Environmental Permits
- Construction Procurement
  - Must follow VPPA
- Long Term Responsibility & Maintenance Plan



# In search of Local 50% Match

- Local 50% match comes from a variety of sources
  - Local General funds/Bond Funds
    - Challenging to obligate funds in advance of grant authorization
  - SW Utility funds
  - Public-Private Partnership (P3)
    - Roanoke County
  - Grant Funds
    - National Fish & Wildlife Foundation (NFWF)
  - **Virginia Clean Water Revolving Loan Fund (VCWRLF)**



# Success Stories





# City of Waynesboro

- Level 2 Constructed Wetland
- Project Cost- Approx. \$1.8MM
  - Funded by 50% Grant/50% VCWRLF Loan
  - Loan- 0% / 20 yr. term
- Pollutant Reduction- 301 lbs/TP
- Project Completion- Winter 2016











# Virginia Clean Water Revolving Loan Fund





# **Virginia Clean Water Revolving Loan Fund**

## **WHAT IS IT & WHAT WILL YOUR LOAN PAY FOR?**

- Loans provided to Virginia local governments to assist with wastewater treatment plant and/or collection system improvements. Localities may apply for a loan from the VCWRLF Wastewater Loan Program for any expansion, upgrade, extension, replacement, repairs, rehabilitation, and/or additions to publicly-owned wastewater collection and treatment facilities; construction of any needed new facility or new conveyance system; and any planning and/or design costs associated with the above improvements.



# **Virginia Clean Water Revolving Loan Fund**

- **WHO IS ELIGIBLE?**

Local Governments, Wastewater Authorities



# Virginia Clean Water Revolving Loan Fund

- History of the VCWRLF

- Established circa 1987
- 1012 Projects funded through FY 2018
- \$3.19 Billion in projects funded to date
- \$105 MM in projects (26) funded in FY2018
- Program expanded to fund Stormwater projects.



# Virginia Clean Water Revolving Loan Fund

- Compliance Requirements:
  - Professional Services Procurement
  - Fiscal Sustainability/Asset Management Plan
  - Preliminary Engineering Report
  - Environmental Review
  - Plans & Specifications Review
  - Construction Services Procurement



# Virginia Clean Water Revolving Loan Fund

- Compliance Requirements for Construction
  - Davis Bacon Wage Rates
  - American Iron & Steel
  - MBE/WBE Utilization



# Virginia Clean Water Revolving Loan Fund

## CLOSING & DISBURSEMENT PROCESS

- Loan closes after receipt of construction bids
- Monthly disbursement requests
- Loan disbursements held at 95% until submittal of O&M plan and FSP plan to DEQ.



# Virginia Clean Water Revolving Loan Fund

## Credit Work, Repayments

Virginia Resources Authority is our Partner

- Credit Analysis
- Manage Disbursements
- Collect Repayments



# Virginia Clean Water Revolving Loan Fund

## RATES

- 20 year term- 1.5% below market
- 25 year term- 1.25% below market
- 30 year term- 1.0% below market (Pipeline Projects Only)
- 0% interest rate possible based on utility rates and median household income (20 yr. term or shorter)
- Principle Forgiveness- Based on need and available funds



# Virginia Clean Water Revolving Loan Fund

## Upcoming Solicitation

- Solicitation due out at the end of May
- Solicitation closes around July 13<sup>th</sup>
- GET YOUR PROJECTS READY!





# Questions?

Mike Crocker, Jr  
Project Oversight Team Leader  
[michael.crocker@deq.virginia.gov](mailto:michael.crocker@deq.virginia.gov)  
804-698-4012