

DEQ ARPA Wastewater Funds Application Evaluation Information

Applications will be evaluated based on the following factors:

1. Compliance with Final Rule instructions on eligibility and consistent with 2021 Special Session II Va. Acts Ch. 1 (as applicable), 2022 Special Session I Va. Acts Ch. 1 (as applicable), and 2022 Special Session II Va. Acts Ch. 2 (as applicable):
 - Project must be a necessary improvement (project meets one of the following)
 - CWSRF eligible project
 - Responsive to an identified need to achieve or maintain an adequate minimum level of service, and a cost-effective means for meeting that need, taking into account available alternatives
 - Combined Sewer Overflow (CSO) Program applications for funding appropriated in 2021 Special Session II Va. Acts Ch. 1, as modified by 2022 Special Session II Va. Acts Ch. 2, will also be evaluated to ensure the applicant will provide the appropriate certification of local match dollars
2. Compliance with Final Rule timeline for project implementation:
 - Project costs incurred prior to March 3, 2021 will not be reimbursed using ARPA funds
 - Reimbursement requests must include date of costs incurred
 - Reimbursement of construction costs with ARPA funds will only be provided for costs incurred on or after March 3, 2021
 - Grant agreement must be executed by December 31, 2024
 - Applicants must ensure appropriate time is allotted to secure a fully executed grant agreement with DEQ no later than December 31, 2024
 - Projects will be evaluated for readiness to proceed based on this requirement
 - Project must be completed, costs expended, and reimbursements fully disbursed by December 31, 2026
 - Applicants must ensure project construction timeline meets this requirement; any funds not fully disbursed by December 31, 2026 will be rescinded from the grant amount in accordance with the Final Rule
 - Projects will be evaluated for readiness to proceed based on this requirement
3. Compliance with Final Rule general restrictions, including compliance with all other applicable statutes, regulations, and executive orders, compliance with the American Rescue Plan Act, this implementation plan, and the terms of the grant agreement
 - Applicants may not use funds for a program that undermines practices included in the CDC's guidelines
 - Applicants may not use State and Local Fiscal Recovery Fund (SLFRF) funds in violation of the conflict of interest requirements contained in the Award Terms and Conditions or the Office of Management and Budget's Uniform Guidance, including any self-dealing or violation of ethics rules. Recipients are required to establish policies and procedures to manage potential conflicts of interest
 - Applicants are also required to comply with other federal, state, and local background laws, including environmental laws and federal civil rights and nondiscrimination requirements,

- which include prohibitions on discrimination on the basis of race, color, national origin, sex, (including sexual orientation and gender identity), religion, disability, or age, or familial status (having children under the age of 18)
- Ensure compliance with environmental and permitting laws and regulations
 - Applicants for non-septic wastewater projects will need to obtain a Certificate to Construct (CTC) and Certificate to Operate (CTO) from DEQ
 - Applicants for septic projects will need to obtain a construction permit and operation permit from VDH
 - Completed in a manner that is technically sound
 - Must meet design and construction methods and use materials that are approved, codified, recognized, fall under acceptable levels of practice, or otherwise are determined to be generally acceptable by the design and construction industry
4. Consistent with the Commonwealth's Clean Water Revolving Loan Fund (CWRLF) program
- Sewer Collection System (SCS), Septic Local Partner Program (SLPP), and Enhanced Nutrient Removal Certainty, Pound, Petersburg (ENRCPP) Program, projects will be evaluated based on project type, environmental concerns, fiscal stress, and readiness to proceed
5. Other application evaluation factors for SCS, SLPP, and ENRCPP Program projects may include:
- CWRLF affordability criteria
 - Median household income
 - Cost-effectiveness of the proposed project(s)
 - Advancement of the Commonwealth's Wastewater Infrastructure Policy as defined in § 62.1-223.1 of the Code of Virginia*
 - Geographic distribution of projects to ensure statewide access to funding

***§ 62.1-223.1. State policy as to community and onsite wastewater treatment.**

It is the policy of the Commonwealth to prioritize universal access to wastewater treatment that protects public health and the environment and supports local economic growth and stability. To further this policy, the Commonwealth endorses (i) public education about the importance of adequate wastewater treatment; (ii) collaboration among local, state, and federal government entities, including consistent collaboration and coordination of grant requirements and timelines; (iii) the prioritized, focused, and innovative use of state and federal funding to address needs determined pursuant to § [62.1-223.3](#); (iv) a preference for community-based and regional projects as opposed to cumulative and repetitive site-by-site individual solutions; (v) the use of integrated solutions across sewer and onsite wastewater treatment systems; and (vi) the incorporation of the effects of climate change into wastewater treatment regulatory and funding programs.