Revisions to the 2022 Dam Safety, Flood Prevention, and Protection Assistance Fund Grant Round

§ 10.1-603.18. Administration of the Fund.

The Authority shall administer and manage the Fund, and establish the interest rates and the repayment terms of such loans as provided in this article, in accordance with a memorandum of agreement with the Director. The Director shall, after consultation with all interested parties, develop a guidance document governing project eligibility and project priority criteria, and the Director, upon approval from the Virginia Soil and Water Conservation Board, shall direct the distribution of loans and grants from the Fund to local governments and private entities. In order to carry out the administration and management of the Fund, the Authority may employ officers, employees, agents, advisers and consultants, including without limitation, attorneys, financial advisors, engineers, and other technical advisors and public accountants, and determine their duties and compensation without the approval of any other agency or instrumentality. The Authority may disburse from the Fund reasonable costs and expenses incurred in the administration and management of the Fund and may establish and collect a reasonable fee for its management services. However, any such fee shall not exceed one-eighth of one percent of any bond par, loan or grant amount.

§ 2.2-4002.1. Guidance documents.

A. Guidance documents shall be exempt from the provisions of this chapter, pursuant to this section. Guidance documents do not include agency (i) rulings and advisory opinions, (ii) forms and instructions, (iii) bulletins and legislative summaries, (iv) studies and reports, and (v) internal manuals and memoranda.

B. The agency that develops a guidance document shall certify that the document conforms to the definition of a guidance document in §2.2-4101. The guidance document shall be subject to a 30-day public comment period, to include public comment through the Virginia Regulatory Town Hall website, after publication in the Virginia Register of Regulations and prior to its effective date. The agency shall provide notice of the opportunity for public comment to interested parties as identified under §2.2-4007.02 prior to the start of the 30-day public comment period.

The draft grant manual was published in the Virginia Register of Regulations on August 2, 2021; the public comment period ended on September 1, 2021. No comments were received.

Action taken by Board on September 23, 2021

The Virginia Soil and Water Conservation Board approved the 2022 Dam Safety, Flood Prevention, and Protection Assistance Fund Grant Manual as presented by the Department.

<u>Language in the 2022 Grant Manual for the Virginia Dam Safety, Flood Prevention, and Protection</u> <u>Assistance Fund</u>

Part II: General DCR Grant Eligibility Criteria and Application Procedures DCR Conditions and Limitations for Making Grants Page 6

A total of approximately \$1,250,000 is available for grants during this grant cycle. Up to \$400,000 is available for Dam Safety Projects as outlined in Part III: Dam Safety Projects Section 1. Engineering Studies. At least \$850,000 is available for Dam Safety projects as outlined in Part III: Dam Safety Projects Section 2. Repairs, Safety Modifications and Removal. Maximum grant amounts for Section 1. Engineering Studies will be determined based on scoring, amounts requested from eligible projects, and available funds. Maximum grant amounts for Section 2. Repairs, Safety Modifications and Removal shall not exceed \$250,000 per dam and will be determined based on scoring, amounts requested, and available funds.

Background Information

Applications for the 2022 Virginia Dam Safety, Flood Prevention, and Protection Assistance Fund grant found were accepted beginning November 1, 2021; applications were no longer accepted after 4:00 p.m. on February 28, 2022. Applications were required to be submitted through the Dam Safety Inventory System (DSIS).

According to the language in the 2022 Grant Manual, a minimum of \$850,000 is available for the repairs, safety modifications and removal of dams (Part III: Dam Safety Projects Section 2). Based on preliminary review of submitted applications, the full \$850,000 will not be awarded.

Only \$400,000 in funding was available for engineering studies according to the 2022 Grant Manual (Part III: Dam Safety Projects Section 1). The Department has received applications that far exceed this available funding amount.

The Department would like to shift funding from *Part III: Dam Safety Projects Section 2* (repairs, safety modification and removal) to the *Part III: Dam Safety Projects Section 1* (engineering studies) as needed to fund the most appropriate applications.

Additionally, the Department has determined that some applications, rather than being submitted to the Department, were inadvertently left in DSIS in the "development" stage. The Department has contacted these applicants and has confirmed that the applicants intended to apply. The Department requests the flexibility to review those applications that remained in the "development" stage of the application process for eligibility and possible funding.

Recommended Motion:

The Virginia Soil and Water Conservation Board approves the shifting of available funding from the *Part III: Dam Safety Projects Section 2 – Repairs, Safety Modifications and Removal* to *Part III: Dam Safety Projects Section 1 – Engineering Studies* as needed to fund the most appropriate applications.

Additionally, the Department is authorized to review applications that were inadvertently left in the "development" stage of the grant application process for eligibility and possible funding.