



MEMORANDUM

TO: The Honorable Mayor & Town Council

FROM: India Adams-Jacobs, MPA, ICMA-CM, Town Manager

DATE: January 8, 2026

RE: Resolution No. 2026-003 – Authorization to Proceed with WWTF Improvements and Secure VCWRLF Funding

BACKGROUND

The Town of Bowling Green owns and operates a Wastewater Treatment Facility (WWTF) that provides wastewater collection and treatment services to Town residents and businesses. Improvements to the WWTF are necessary to maintain regulatory compliance, address operational needs related to sludge management, and ensure the continued reliability of wastewater services. By letter dated November 25, 2025, the Virginia Department of Environmental Quality (DEQ) notified the Town that the State Water Control Board authorized a loan for the Bowling Green Wastewater Treatment Facility Improvements project through the Virginia Clean Water Revolving Loan Fund (VCWRLF). The loan authorization is identified as **Project Number C-515890** and provides funding in the amount of **\$2,783,800** at an interest rate of **0.5%** for a term of up to **25 years**

Fiscal Impact

The VCWRLF loan authorization provides financing in the amount of \$2,783,800 at a favorable 0.5% interest rate, with interest offset through principal forgiveness. The Town may qualify for additional principal forgiveness, which would further reduce the overall cost of the project. Debt service obligations will be incorporated into future utility financial planning as final loan terms are confirmed.

RECOMMENDATION

Staff recommends adoption of **Resolution No. 2026-003**, authorizing the Town to proceed with the Wastewater Treatment Facility Improvements project and to accept and secure funding through the Virginia Clean Water Revolving Loan Fund, and authorizing the Town Manager to execute all necessary loan documents and take all actions required to comply with program requirements.

DRAFT MOTION

I move that the Town Council adopt Resolution No. 2026-003, authorizing the Town of Bowling Green to proceed with the Wastewater Treatment Facility Improvements project and to accept and secure financing through the Virginia Clean Water Revolving Loan Fund in an amount of \$2,783,800 at an interest rate of 0.5% for a term of up to 25 years, including eligibility for principal forgiveness, and further authorizing the Town Manager, or her designee, to execute all required loan documents and take all actions necessary to comply with program requirements and advance the project.

Attachments: RESOLUTION NO. 2026-003, Bowling Green C-515890 Authorization Letter