



COMMUNITY DEVELOPMENT STAFF REPORT

Council Meeting Date:	March 12, 2024
Agenda Title:	Amendment to FY24 Budget for DEQ SLPP Grant
Requested Action:	Hold Public Hearing to Amend FY24 Budget
Department / Agency Lead:	Community Development
Staff Lead:	Denise M. Harris, AICP

EXECUTIVE SUMMARY

The Code of Virginia §15.2-2507 requires a public hearing when a proposed budget amendment exceeds 1% of the adopted Fiscal Year (FY) budget. The Virginia Department of Environmental Quality (DEQ) authorized and reserved \$750,000 in American Rescue Plan Act (ARPA) funding for the Town of Warrenton through the Septic Local Partners Program (SLPP). The resolution before Town Council amends the FY24 budget to appropriate the monies for the SLPP grant. On February 13, 2024, the Town Council authorized the Town Manager to sign a grant agreement, which must be executed by the Town and DEQ by March 31, 2024.

BACKGROUND

The Town applied in 2022 for the Virginia Department of Environmental Quality (DEQ) grant utilizing American Rescue Plan Act (ARPA) funds. In 2023, DEQ authorized and reserved \$750,000 from the Septic Local Partners Program (SLPP) for qualified in-town residents to connect their septic to existing sewer lines. DEQ approved a Design Agreement in October, 2023, allowing for first come, first serve qualified property owners to be reimbursed for connecting to the Town's sewer system. This grant must be executed by the Town and DEQ by March 31, 2024, with 50% of the funds distributed by December 31, 2025. Final grant completion by December, 2026. The Town selected an engineering firm with septic experience, RK&K, under the ARPA requirements procurement process to help the Town administrator the program.

It is anticipated after the grant agreement is executed that RK&K will work with Town staff to develop a strategy to fully communicate to the Town residents about this opportunity. Once the notice(s) has been provided, qualified private property owners will be able to participate in the program on a first come, first serve basis until the funding is fully obligated. Property owners on an existing sewer line that are under the income limit will be eligible for 100% reimbursement of eligible costs up to \$40,000, while qualified property owners above the income limit will be eligible to be reimbursed 50% up to \$20,000. Per DEQ, the median income limits are defined by the US Department of Housing and Urban Development <https://www.huduser.gov/Portal/datasets/il.html>.

STAFF RECOMMENDATION

Hold a public hearing and amend the FY24 budget to allocate the Virginia Department of Environmental Quality Septic Local Partner Program grant to implement the Septic Local Partner Program.

Service Level/Collaborative Impact

The grant will enable private property owners to connect to the Town’s sewer and increase the utility level of service for its residents.

Policy Direction/Warrenton Plan 2040

Plan Warrenton 2040 policy CF-4.8 states to *“Explore resources to help property owners and promote connection to public water and sewer within the Town boundaries.”*

Fiscal Impact

The DEQ reimbursable grant covers cost, in-full or in-part depending on individual qualifications, of connections, tap fees, and associated Town administrative costs.

Legal Impact

N/A

ATTACHMENTS

1. Draft Resolution