

INTRODUCED: January 13, 2025

AN ORDINANCE No. 2025-003

To authorize the Chief Administrative Officer, for and on behalf of the City of Richmond, to accept funds in the amount of \$2,377,500.00 from the Virginia Resources Authority, and to amend the Fiscal Year 2024-2025 Water Utility Budget which appropriated the estimated receipts of the water utility, by increasing estimated receipts and the amount appropriated for the water utility by \$2,377,500.00, for the purpose of funding the City's lead water service line replacement and water service line inventory programs.

Patron – Mayor Avula, Ms. Robertson and President Newbille

Approved as to form and legality
by the City Attorney

PUBLIC HEARING: JAN 27 2025 AT 6 P.M.

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. That the Chief Administrative Officer is authorized to accept funds in the amount of \$2,377,500.00 from the Virginia Resources Authority for the purpose of funding the City's lead water service line replacement and water service line inventory programs.

§ 2. That Article I, Section 12 of Ordinance No. 2024-099, adopted May 13, 2024, which adopted the Water Utility Budget for the fiscal year commencing July 1, 2024, and ending June 30, 2025, by increasing the estimated receipts of the water utility and the amount appropriated

AYES: 9 NOES: 0 ABSTAIN: _____

ADOPTED: JAN 27 2025 REJECTED: _____ STRICKEN: _____

for expenditures of the water utility by \$2,377,500.00 for the purpose of funding the City's lead water service line replacement and water service line inventory programs.

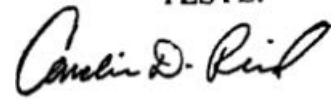
§3. This ordinance shall be in force and effect upon adoption.

APPROVED AS TO FORM:

CITY ATTORNEY'S OFFICE

A TRUE COPY:

TESTE:

A handwritten signature in black ink, appearing to read "Camille D. Reil".

City Clerk



City of Richmond

900 East Broad Street
2nd Floor of City Hall
Richmond, VA 23219
www.rva.gov

Master

File Number: Admin-2024-1461

File ID: Admin-2024-1461

Type: Request for Ordinance or Resolution

Status: Regular Agenda

Version: 1

Reference:

In Control: City Clerk

Department:

File Created: 11/20/2024

Subject:

Final Action:

Title: Virginia Water Supply Assistance Grant ("WSAG"); Financial and Construction Assistance Program; Lead Service Line Replacement & Service Line Inventory Funding
Award #: BIL-62L-23a (GRANT)

Internal Notes:

Agenda Date: 01/13/2025

Patron(s):

Enactment Date:

Attachments: Admin-2024-1461 BIL 65L-23a Funding WD Ord. - Budget - Accept \$2377500 - VDH Leap Funding
BIL-65-L-23a (Funding) - AATF, Admin-2024-1461 BIL 65L23a VRA - COR Leap Funding Agreement AATF

Enactment Number:

Contact:

Introduction Date:

Drafter: John.Vaughan@rva.gov

Effective Date:

Related Files:

Approval History

Version	Seq #	Action Date	Approver	Action	Due Date
1	1	11/21/2024	April Bingham	Approve	11/21/2024
1	2	12/5/2024	Robert Steidel	Approve	11/22/2024
1	3	12/6/2024	Merrick Malone	Approve	12/6/2024
1	4	12/6/2024	Meghan Brown	Disapprove	12/9/2024
Notes: Please update fiscal impact to indicate whether or not there is a match requirement, and may want to also up the background section on the compliance date as discussed with Bill Vaughn.					
1	5	12/6/2024	April Bingham	Approve	12/9/2024
1	6	12/6/2024	Robert Steidel	Approve	12/9/2024
1	7	12/6/2024	Merrick Malone	Approve	12/10/2024
1	8	12/6/2024	Meghan Brown	Approve	12/9/2024
1	9	12/6/2024	Sheila White	Approve	12/9/2024
1	10	12/8/2024	Sabrina Joy-Hogg	Approve	12/10/2024
1	11	12/19/2024	Jeff Gray	Approve	12/10/2024
1	12	12/19/2024	Lincoln Saunders	Approve	12/30/2024
1	13	12/23/2024	Mayor Stoney	Approve	1/8/2025
1	14	1/6/2025	Mayor Avula	Approve	1/8/2025

History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
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Text of Legislative File Admin-2024-1461

Title

Virginia Water Supply Assistance Grant (“WSAG”); Financial and Construction Assistance Program;
Lead Service Line Replacement & Service Line Inventory Funding Award #: BIL-62L-23a (GRANT)

Body

O&R REQUEST

DATE: January 6, 2025

EDITION: 2

TO: The Honorable Members of City Council

THROUGH: The Honorable Dr. Danny Avula, Mayor

THROUGH: J.E. Lincoln Saunders, Chief Administrative Officer

THROUGH: Sabrina Joy-Hogg, Deputy Chief Administrative Officer, Finance and Administration

THROUGH: Sheila White, Director Finance

THROUGH: Meghan Brown, Acting Director Budget

THROUGH: Merrick T. Malone, Acting Director Housing & Community Development

THROUGH: Robert C. Steidel, Deputy Chief Administrative Officer, Operations

THROUGH: April M. Bingham, Director, DPU

FROM: Billy Vaughan, Deputy Department Director, Senior, DPU; Eric Whitehurst, Deputy Department Director, Senior, DPU

RE: Virginia Water Supply Assistance Grant (“WSAG”); Financial and Construction Assistance Program; Lead Service Line Replacement & Service Line Inventory Funding Award #: BIL-62L-23a (GRANT)

PURPOSE: To authorize the Chief Administrative Officer to accept funds in the amount of \$2,377,500 from the Virginia Resources Authority (VRA), as administrator of the Virginia Water Supply Revolving Fund, and to appropriate the funds received to the Fiscal Year 2025 Budget by increasing revenues and the amount appropriated to the Department of Public Utilities’ Water Utility enterprise funds for the purpose of funding the private (customer) portion of full lead service line replacements in the City and further the development of an Interactive Service Line Inventory Map that was submitted, as required by EPA, to the Virginia Department of Health October 16, 2024 and will be updated annually thereafter.

BACKGROUND: The City of Richmond (City) owns and operates the Richmond Water Treatment Plant (WTP) that supplies drinking water to the Richmond area, as well as portions of Henrico, Hanover, and Chesterfield Counties. While the City has remained in compliance with the federal Lead and Copper Rule (LCR) requirements, the recent Lead and Copper Rule Revisions (LCR Revisions) and pending LCR Improvements, will require additional efforts from the City to comply with new aspects of the regulation. The LCR Revisions became effective on December 16, 2021, and compliance with those rules was required by October 16, 2024, which the City met.

As part of the LCR Revisions, DPU must submit a Service Line Inventory (SLI) to VDH by the compliance date as well as a Lead Service Line Replacement (LSLR) Plan. The LSLR Plan must lay out the water utility’s plan for completing end-to-end LSL replacements. The preliminary SLI indicates that the pipe material on over 57,000 service lines is “Unknown”. The majority of these “Unknown” service line segments are on private property. A portion of these funds will be allocated to improving the SLI to reduce the number of “Unknown” pipe segments.

This \$2,377,500 funding award is 47.6% of a total \$5,000,000 funding award under BIL-62L-23a.

These funds are provided as 100% principal forgiveness or grant funds. Since DPU is not authorized to

spend utility funds on private infrastructure, these funds will be dedicated primarily to the replacement of LSLs on private property. The funds may also be used to develop and update a predictive service line inventory map.

This funding will help the City accelerate the replacement of LSLs by allowing for a more targeted approach to prioritize replacements by geographic areas and vulnerable populations. Since 2018, the LSLR Grant Program has aided over 600 property owners in replacing their lead water service lines. Since the early 1990's, DPU has replaced over 9,000 LSLs in the public right-of-way using only water utility funds.

COMMUNITY OUTREACH: DPU has been conducting public outreach to promote the private side, LSLR Grant Program since 2018. The City recently established the LeadFreeWater program and has a publicly accessible interactive Service Line Inventory map where citizens may research information about service line pipe material by street address and update information about their own water service line. Additional outreach activities are planned.

STRATEGIC INITIATIVES AND OTHER GOVERNMENTAL: The LCRR regulations required that localities provide their customers with an interactive service line map and a plan for replacing all lead service lines by October 16, 2024, which was accomplished. This funding will help DPU meet these regulations by providing funding for continued updates and refinements to the interactive map and will provide funding to homeowners for replacing privately owned lead service lines.

FISCAL IMPACT: A portion of these funds will be used to improve the Service Line Inventory, which offset the budgeted operational cost. Most of these funds will be used to fund private side replacement of lead and galvanized water service lines, which will result no fiscal impact to the City, but will assist property owners in the City. There is no matching requirement for this funding.

DESIRED EFFECTIVE DATE: Upon adoption.

REQUESTED INTRODUCTION DATE: January 13, 2024

CITY COUNCIL PUBLIC HEARING DATE: January 27, 2024

REQUESTED AGENDA: Consent

RECOMMENDED COUNCIL COMMITTEE: Planning Commission (January 17, 2024)

AFFECTED AGENCIES: Department of Public Utilities, Department of Budget and Strategic Planning, Department of Finance

RELATIONSHIP TO EXISTING ORD. OR RES.: N/A

ATTACHMENTS: Drinking Water Funding Agreement: VDH Award No. BIL-62L-23a

STAFF: Billy Vaughan, DPU, 804-646-5232; Eric Whitehurst, DPU, 804-646-3780

FUNDING AGREEMENT

dated as of _____ 1, 2025

BETWEEN

VIRGINIA RESOURCES AUTHORITY,

**as Administrator of the
Virginia Water Supply Revolving Fund**

AND

CITY OF RICHMOND, VIRGINIA

Virginia Resources Authority
Virginia Water Supply Revolving Fund

CFDA No. 66.468 – Capitalization Grants for Drinking Water State Revolving Funds
Federal Award No. 4L-95306801
U.S. Environmental Protection Agency

Funding No. BIL 65L-23a

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EXHIBITS

Exhibit A.	Project Description
Exhibit B.	Project Budget
Exhibit C.	Requisition for Disbursement

FUNDING AGREEMENT

THIS FUNDING AGREEMENT is dated as of this first day of _____, 2025, between the **VIRGINIA RESOURCES AUTHORITY**, as administrator of the Virginia Water Supply Revolving Fund, a public body corporate and a political subdivision of the Commonwealth of Virginia (the “Authority”) and the **CITY OF RICHMOND, VIRGINIA**, a public body politic and corporate and a political subdivision of the Commonwealth of Virginia (the “Locality”).

Pursuant to Chapter 23, Title 62.1, Code of Virginia of 1950, as amended (the “Act”), the General Assembly created a fund known as the “Virginia Water Supply Revolving Fund” (the “Fund”). In conjunction with the Virginia Board of Health (the “Board”), the Authority administers and manages the Fund. Following consultation with the Authority, the Board from time to time directs the distribution of monies to local governments in Virginia to finance the “costs” of “projects” within the meaning of Section 62.1-233 of the Act.

The Locality has requested funding from the Fund and has been approved by the Board to receive monies from the Fund. The Locality will use the monies from the Fund to provide funds for that portion of the Project Costs not being paid from other sources as set forth in the Project Budget.

ARTICLE I **DEFINITIONS**

The capitalized terms contained in this Agreement shall have the meanings set forth below unless the context requires otherwise and any capitalized terms not otherwise defined herein shall have the meanings assigned to such terms in the Act:

“Agreement” means this Funding Agreement between the Authority, as Administrator of the Fund, and the Locality, together with any amendments or supplements hereto.

“Authorized Representative” means any member, official or employee of the Locality authorized by resolution, ordinance or other official act of the governing body of the Locality to perform the act or sign the document in question.

“Consulting Engineer” means the engineer or the firm of independent consulting engineers of recognized standing and experienced in the field of sanitary engineering and registered to do business in Virginia which is designated by the Locality from time to time as the Locality’s consulting engineer for the Project in a written notice to the Authority. Such individual or firm shall be subject to the reasonable approval of the Authority. Unless and until the Authority notifies the Locality otherwise, any of the Locality’s employees that are licensed and registered as professional engineers in the Commonwealth of Virginia may serve as Consulting Engineer under this Agreement.

“Department” means the Virginia Department of Health, created and acting under Chapter 1, Title 32.1, of the Code of Virginia of 1950, as amended.

“Project” means the particular project described in **Exhibit A** to be constructed, acquired or improved by the Locality with, among other monies, the funds provided pursuant to this Agreement, with such changes thereto as may be approved in writing by the Board and the Authority.

“Project Budget” means the budget for the Project, a copy of which is attached to this Agreement as **Exhibit B**, with such changes thereto as may be approved in writing by the Board and the Authority.

“Project Costs” means the costs described in the Project Budget and such other costs permitted by the Act as may be approved in writing by the Board.

“Project Description” means the description of the Project to be undertaken using the funding made available under this Agreement, a copy of which is attached to this Agreement as **Exhibit A**, with such changes thereto as may be approved in writing by the Board and the Authority.

“Transaction” means the funding of some or all of the Locality’s Project, as described in **Exhibit A**, as provided in this Agreement.

ARTICLE II **SCOPE OF SERVICES**

The Locality shall provide the services and work as set forth in the Project Description (**Exhibit A**) of this Agreement. All work shall be performed according to sound construction, engineering and architectural principles and commonly accepted safety standards.

ARTICLE III **TIME OF PERFORMANCE**

The Locality’s work on the Project will-commence on or before January 1, 2025 and is anticipated to be substantially completed by March 31, 2027.

ARTICLE IV **FUNDING; NATURE OF TRANSACTION**

The Locality shall be reimbursed for the payment of Project Costs, in an amount not to exceed \$, for the purposes set forth in the Project Description and Project Budget, a portion of which may be made from federal financial assistance. Disbursement of funds will be in accordance with the payment provisions set forth in Section 4.1 and the Project Budget.

The Board has authorized the Transaction as a “principal forgiveness loan.” Notwithstanding anything to the contrary in this Funding Agreement, the Transaction shall not constitute a debt of the Locality, and the Locality is not required or obligated to repay the amount

of the Transaction, except as provided in Section 4.3 in the case of Locality's failure to comply with the terms and conditions of this Funding Agreement, where the Locality may be required to return all or a portion of the amount funded hereunder.

Section 4.1. Application of Funding. The Locality agrees to apply the funds solely and exclusively to the payment, or the reimbursement of the Locality for the payment of Project Costs. After approval by the Department, the Authority shall disburse funds from the Fund to the Locality not more frequently than once each calendar month (unless otherwise agreed by the Authority, the Department and the Locality) upon receipt by the Authority of the following:

(a) A requisition approved by the Department (upon which the Authority shall rely), signed by the Authorized Representative and containing all receipts, vouchers, statements, invoices, reporting forms or other evidence of the actual payment of Project Costs or that Project Costs have been incurred, and all other information called for by, and otherwise being in the form of, **Exhibit C** to this Agreement; and

(b) If any requisition includes an item for payment for labor or to contractors, builders or materialmen, a certificate, signed by the Consulting Engineer, stating that such work was actually performed or such materials, supplies or equipment were actually furnished or installed in or about the construction of the Project.

Upon receipt of each such requisition and accompanying certificate(s), document(s) and schedule(s), the Authority shall disburse the funds hereunder to the Locality in accordance with such requisition to the extent approved by the Department. The Department shall have no obligation to approve any requisition, and the Authority shall have no obligation to disburse any such funds, if the Locality is not in compliance with any of the terms of this Agreement.

Except as may otherwise be approved by the Department, disbursements shall be held at ninety-five percent (95%) of the total funding amount to ensure satisfactory completion of the Project. Upon receipt from the Locality of the certificate specified in Section 4.2 and a final requisition detailing all retainages to which the Locality is then entitled, the Authority, to the extent approved by the Department and subject to the provisions of this Section and Section 4.2, will disburse to the Locality the remaining funds.

Section 4.2. Agreement to Accomplish Project. The Locality agrees to cause the Project to be acquired, constructed, expanded, renovated or equipped as described in **Exhibit A** and in accordance with plans and specifications prepared by the Consulting Engineer and approved by the Department. The Locality shall use its best efforts to complete the Project by the date set forth in Article III of this Agreement.

When the Project has been completed, the Locality shall promptly deliver to the Authority and the Department a certificate signed by an Authorized Representative of the Locality and by the Consulting Engineer stating (i) that the Project has been completed substantially in accordance with the approved plans and specifications and addenda thereto, and in substantial compliance with all material applicable laws, ordinances, rules and regulations, (ii) the date of such completion, (iii) that all required certificates of occupancy and permits for

operation of the Project have been issued or obtained, and (iv) the amount, if any, to be reserved for payment of the final Project Costs.

Section 4.3. Repayment of Transaction Amount. In the event of a material failure by the Locality to comply with the terms of this Agreement, the Locality may be obligated, upon an adverse determination by the Department, to repay all or a portion of any funding received pursuant to this Agreement; provided that such repayment obligation shall be limited to legally available revenues of the Locality's utility system.

ARTICLE V

GENERAL PROVISIONS

Section 5.1. Liability Insurance. The Locality shall take out and maintain during the life of this Agreement such general and bodily injury liability and property damage liability insurance as shall protect it from claims for damages for personal injury, including death, as well as from claims for property damage, which may arise from the Locality's activities under this Agreement.

Section 5.2. Disclaimer. Nothing in this Agreement shall be construed as authority for either party to make commitments that will bind the other party beyond the covenants contained herein.

Section 5.3. Termination. (a) The Board, the Department or the Authority, on behalf of the Fund may terminate this Agreement for any reason upon 30 days' written notice to the Locality. The Locality shall be paid for no service rendered or expense incurred after receipt of such notice except such fees and expenses incurred prior to the effective date of termination that are necessary for curtailment of its work under this Agreement.

(b) If any written or oral representation, warranty or other statement furnished or made by or on behalf of the Locality to the Board, the Department or the Authority in connection with this Agreement or the Locality's application for funding from the Fund is false or misleading in any material respect, the Authority shall have the right immediately to terminate this Agreement.

(c) In the event of a material breach by the Locality of this Agreement, the Authority shall have the right to terminate this Agreement. Upon such circumstance, the Authority, the Board, or the Department may give written notice to the Locality specifying the manner in which this Agreement has been breached and providing the Locality 30 days within which to cure the breach. If such notice of breach is given and the Locality has not substantially corrected the breach within 30 days of receipt of the written notice, the Authority shall have the right to terminate this Agreement.

(d) In the event of a termination of this Agreement in accordance with paragraphs (b) or (c) of this Section 5.3, all documents and other materials related to the performance of this Agreement shall, at the option of the Authority, the Board, or the Department, become the

property of the Authority, as Administrator of the Fund, and the Locality shall repay to the Authority, as Administrator of the Fund, all funding proceeds disbursed hereunder.

Section 5.4. Integration and Modification. This Agreement constitutes the entire Agreement between the Locality and the Authority with respect to the funding. No alteration, amendment or modification in the provisions of this Agreement shall be effective unless reduced to writing, signed by both the parties and attached hereto.

Section 5.5. Collateral Agreements. Where there exists any inconsistency between this Agreement and other provisions of collateral contractual agreements which are made a part of this Agreement by reference or otherwise, the provisions of this Agreement shall control.

Section 5.6. Non-Discrimination; Reporting Fraud; Whistleblower Protections. (a) In the performance of this Agreement, the Locality warrants that it will not discriminate against any employee, or other person, on account of race, color, sex, religious creed, ancestry, age, national origin, other non-job related factors or any basis prohibited by law. The Locality agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this non-discrimination clause.

The Locality shall, in all solicitations or advertisements for employees placed by or on behalf of the Locality, state that such Locality is an equal opportunity employer; however notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for the purpose of meeting the requirements of this Agreement.

The Locality shall include the provisions of the foregoing paragraphs of this section in every contract, subcontract or purchase order of over ten thousand dollars, so that such provisions will be binding upon each contractor, subcontractor or vendor.

(b) In the performance of this Agreement, the Locality warrants that it will report to the applicable federal authorities, in a timely manner, any violations of federal criminal law involving fraud, bribery, or gratuity violations potentially affecting this Agreement. The Locality agrees to post in conspicuous places details on how to report such violations or otherwise establish a mechanism by which employees of the Locality may report such violations. The Locality further agrees to notify employees in writing of whistleblower rights and protections available under federal law.

Section 5.7. Applicable Laws. This Agreement shall be governed by the applicable laws of the Commonwealth of Virginia.

Section 5.8. Severability. Each paragraph and provision of this Agreement is severable from the entire Agreement; and if any provision is declared invalid, the remaining provisions shall nevertheless remain in effect, at the option of the Authority.

Section 5.9. Contingent Fee Warranty. The Locality warrants that it has not paid or agreed to pay any company or person any fee, commission, percentage, brokerage fee, gift, or any other consideration, contingent upon the award or making of this Agreement. For breach of

the foregoing warranty, the Authority shall have the right to terminate this Agreement without liability or, in its discretion, to deduct from the agreed fee, payment or consideration, or otherwise recover the full amount of such prohibited fee, commission, percentage, brokerage fee, gift, or contingent fee.

Section 5.10. Conflict of Interest. The Locality warrants that it has fully complied with the Virginia Conflict of Interest Act, Va. Code §§ 2.2-3100 et seq., as amended, in connection with the Project and the funding provided by this Agreement.

Section 5.11. Records Availability. The Locality agrees to maintain complete and accurate books and records of the Project Costs, and further, to retain all books, records, and other documents relative to this Agreement for five (5) years after final disbursement of funding proceeds, or until completion of an audit commenced by the Commonwealth of Virginia within the five (5) years after final disbursement of funding of proceeds. The Authority, the Board, the Department, the Fund, its authorized agents, and/or state auditors shall have full access to and the right to examine any of said materials during said period. Additionally, the Authority, the Fund, the Board, the Department and/or its representatives shall have the right to access worksites for the purpose of ensuring that the provisions of this Agreement are properly carried out and enforced.

Section 5.12. Ownership of Documents. Copies of any reports, studies, photographs, negatives, or other documents prepared by the Locality in the performance of its obligations under this Agreement, at the option of the Authority, the Board, or the Department, shall be remitted to the Fund by Locality upon completion, termination or cancellation of this Agreement.

Section 5.13. Governmental Requirements. (a) The Locality agrees to comply with all applicable governmental requirements pertaining to the Project and the use and application of funds provided hereunder, including but not limited to, the Virginia Waterworks Regulations, 9 VAC 5-590 et seq., as amended, and the requirements and provisions identified in the Virginia Public Procurement Act, Va. Code §§ 2.2-4300 et seq., as amended, when procuring professional or construction services for work identified in this Agreement.

(b) In the event the Locality expends \$750,000 or more in federal funds in any fiscal year, the Locality agrees to obtain an annual audit from an independent auditor in accordance with the provisions of the Single Audit Act of 1984, 31 U.S.C. §§ 7501 et seq., as amended, and the regulations promulgated thereunder, including Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards located at Title 2 of the Code of Federal Regulations Part 200 Subpart F (“SAA Audit”). The Locality shall furnish to the Authority and the Board copies of any SAA Audit immediately after it is accepted by the Locality, and in the event such SAA Audit contains financing and recommendations pertaining to the Fund, the Locality shall promptly inform the Authority and the Board when corrective actions have been implemented pursuant to such findings and recommendations.

(c) The Locality agrees to comply with the Davis-Bacon Act and related acts, as amended, with respect to the Project and require that all laborers and mechanics employed by contractors and subcontractors for the Project shall be paid wages at rates not less than those prevailing on projects of a similar character in the Locality, as determined by the United States

Secretary of Labor in accordance with Section 1450(e) of the Safe Drinking Water Act and related acts, as amended.

(d) The Locality agrees to comply with all federal requirements imposed by the Infrastructure Investment and Jobs Act, P.L. 117-58 and related United States Environmental Protection Agency (“EPA”) guidelines, as amended and supplemented and in effect from time to time, which the Locality understands includes, but is not limited to, the following requirements: that all of the iron and steel products, manufactured products, and construction materials used in the Project are to be produced in the United States unless (1) the Locality has requested and obtained an appropriate federal agency waiver pertaining to the Project or the Project is otherwise covered by a general applicability waiver; or (2) all of the contributing federal agencies have otherwise advised the Locality in writing that the foregoing requirements are not applicable to the Project. In the event that one of the above exceptions applies to the Project, the Locality agrees to comply with all federal requirements imposed by the Consolidated Appropriations Act, P.L. 113-76 and related EPA guidelines, as amended and supplemented and in effect from time to time, with respect to the Project, which the Locality understands includes, but is not limited to, the requirement that all iron and steel products used for the Project are to be produced in the United States.

(e) The Locality agrees to display the requisite “Investing in America” signage at the location of the Project in a manner that informs the public that all or a portion of the Project was funded by the Bipartisan Infrastructure Law or the Inflation Reduction Act, as applicable. The signage must be placed at the Project construction sites in an easily visible location that can be directly linked to the Project and must be maintained in good condition throughout the construction period of the Project. The Locality shall ensure compliance with the guidelines and design specifications published or otherwise provided by the EPA from time to time.

(f) The Locality agrees to comply with all recordkeeping and reporting requirements under all applicable legal authorities, including any reports required by the contributing federal agencies or the Authority, such as performance indicators of program deliverables, information on costs and progress with respect to the Project. The Locality acknowledges that (i) each contract and subcontract related to the Project is subject to audit by appropriate federal and state entities, and (ii) failure to comply with the applicable legal requirements and this Agreement may result in a default hereunder that results in a repayment of all funding proceeds disbursed hereunder and/or other remedial actions.

(g) The Locality agrees to comply with all federal requirements imposed by 2 C.F.R. § 200.216, implementing P.L. 115-232, Section 889, as amended and supplemented and in effect from time to time, with respect to the Project. Such requirements include, among other things, that the Locality is prohibited from obligating or expending the proceeds to procure or obtain; extend or renew a contract to procure or obtain; or enter into a contract (or extend or renew a contract) to procure or obtain equipment, services, or systems that use certain covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system.

Section 5.14. Notices. Unless otherwise provided for herein, all notices, approvals, consents, correspondence and other communications under this Agreement shall be in writing and shall be deemed delivered to the following:

Fund: Virginia Resources Authority
As Administrator of the Virginia
Water Supply Revolving Fund
1111 East Main Street, Suite 1920
Richmond, Virginia 23219
Attention: Executive Director

Authority: Virginia Resources Authority
1111 East Main Street, Suite 1920
Richmond, Virginia 23219
Attention: Executive Director

Department
and Board: Virginia Board of Health
Virginia Department of Health
Office of Drinking Water, 6th Floor
109 Governor Street
Richmond, VA 23219
Attention: Director

Locality: City of Richmond, Virginia
900 East Broad Street
Richmond, VA 23219
Attention: Chief Administrative Officer

A duplicate copy of each notice, approval, consent, correspondence or other communications shall be given to each of the other parties named.

ARTICLE VI **COUNTERPARTS**

This Agreement may be executed in any number of Counterparts, each of which shall be an original and all of which together shall constitute but one and the same instrument.

[Remainder of this page intentionally left blank]

WITNESS the following signatures, all duly authorized.

**VIRGINIA RESOURCES AUTHORITY, as
Administrator of the Virginia Water Supply Revolving
Fund**

By: _____
Shawn B. Crumlish
Executive Director

CITY OF RICHMOND, VIRGINIA

By: _____

Its: _____

Approved as to Form:

Sophia A. Koziol

Assistant City Attorney

Exhibit A
Project Description
City of Richmond, Virginia
BIL 65L-23a

The Project includes-funding lead service line inventory and replacement, together with related expenses.

Exhibit B
Project Budget
City of Richmond, Virginia
BIL 65L-23a

[To Come]

Exhibit C
Requisition For Disbursement
City of Richmond, Virginia
BIL 65L-23a

[LETTERHEAD OF BORROWER]

[Date]

_____, Director
Office of Drinking Water, 6th Floor
Virginia Department of Health
109 Governor Street
Richmond, VA 23219

Re: Virginia Water Supply Revolving Fund
City of Richmond, Virginia
Loan No. BIL 65L-23a

Dear Mr./Ms. _____:

This requisition, Number ___, is submitted in connection with the Financing Agreement and Funding Agreement, each dated as of _____ 1, 2025 (together, the “Agreements”) between the Virginia Resources Authority, as Administrator of the Virginia Water Supply Revolving Fund (the “Fund”), and the City of Richmond, Virginia (the “Borrower”). Unless otherwise defined in this requisition, all capitalized terms used herein shall have the meanings set forth in Article I of the Agreements. The undersigned Authorized Representative of the Borrower hereby requests disbursement of loan proceeds under the Agreements in the amount of \$_____, for the purposes of payment of the Project Costs as set forth on Schedule 1 attached hereto.

Attached hereto are invoices relating to the items for which payment is requested.

The undersigned certifies that (a) the amounts requested by this requisition will be applied solely and exclusively to the payment, or to the reimbursement of the Borrower for the payment, of Project Costs, and (b) any materials, supplies or equipment covered by this requisition are not subject to any lien or security interest or such lien or security interest will be released upon payment of this requisition. To the extent the Borrower will not apply the amounts requested by this requisition to reimburse itself for the payment of Project Costs already paid, the Borrower will spend such amounts on Project Costs within five banking days following the Borrower’s receipt of such amounts.

In addition, the Borrower certifies that all products included in this request (x) satisfy compliance with federal requirements imposed by the Infrastructure Investment and Jobs Act or (y) satisfy the appropriate requirements for iron and steel products included in the Agreements, as applicable.

The undersigned further certifies that (a) no Event of Default or Default has occurred and is continuing, and no condition exists which, with the passing of time or with the giving of notice or both, would constitute an Event of Default hereunder, and (b) the representations and warranties of the Borrower contained in the Agreements are true, correct and complete and the Borrower has performed all of its obligations thereunder required to be performed as of the date hereof.

This requisition includes an accompanying Certificate of the Consulting Engineer as to the performance of the work.

By signing this requisition, I certify to the best of my knowledge and belief that the report is true, complete, and accurate, and the expenditures, disbursements and cash receipts are for the purposes and objectives set forth in the Agreements. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise. (U.S. Code Title 18, Section 1001 and Title 31, Sections 3729-3730 and 3801-3812).

Sincerely,

(Authorized Representative of the Borrower)

Attachments

cc: VDH Project Engineer (with all attachments)

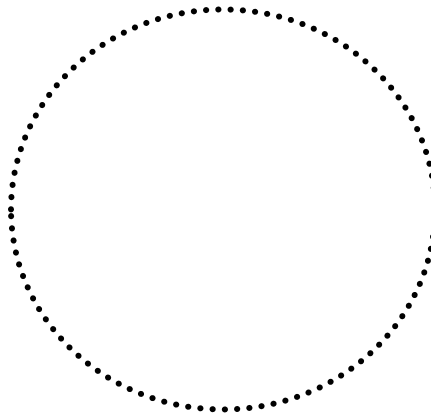
CERTIFICATE OF THE CONSULTING ENGINEER

FORM TO ACCOMPANY REQUEST FOR DISBURSEMENT

Loan No. BIL 65L-23a

This Certificate is submitted in connection with Requisition Number _____, dated _____, 20__, submitted by the City of Richmond, Virginia. Capitalized terms used herein shall have the same meanings set forth in Article I of the Agreements referred to in the Requisition.

The undersigned Consulting Engineer for the Borrower hereby certifies that insofar as the amounts covered by this Requisition include payments for labor or to contractors, builders or materialmen, such work was actually performed or such materials, supplies or equipment were actually furnished to or installed in the Project.



SEAL

[Consulting Engineer]

Date: _____

SCHEDULE 1
VIRGINIA WATER SUPPLY REVOLVING FUND
FORM TO ACCOMPANY REQUEST FOR DISBURSEMENT

REQUISITION # _____
BORROWER: CITY OF RICHMOND, VIRGINIA
LOAN NUMBER: BIL 65L-23a

CERTIFYING SIGNATURE: _____
TITLE: _____

Cost Category	Amount Budgeted	Previous Disbursements	Expenditures This Period	Total Expenditures to Date	Net Balance Remaining

Total Funding Amount \$ _____
Previous Disbursements \$ _____
This Request \$ _____
Loan Proceeds Remaining \$ _____

