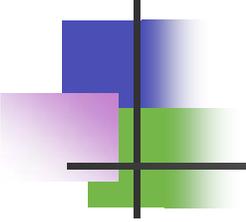


Wastewater Management Capital Improvement Program

**Fairfax County Planning
Commission CIP Workshop
FY 13 – FY17**

March 1, 2012

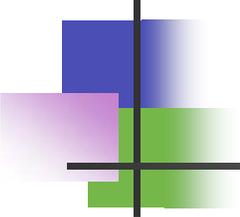




CIP Project Drivers

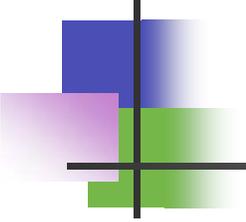
- Two contributing factors:
 - Mandated Upgrades
 - Reinvestment Requirements

- Two parts of the CIP:
 - Treatment by Contract (TbC)
 - County owned facilities



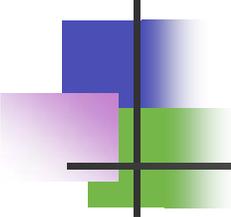
5-Year CIP Mandate Upgrades

- Limit of Technology (LOT) requirements to reduce nitrogen and phosphorus
- \$175.9 M for LOT to Achieve 3.0 mg/l TN
 - Noman Cole - \$73.0 M
 - Alexandria Sanitation Authority - \$64.3 M
 - Arlington County - \$2.5 M
 - Blue Plains - \$36.1 M
 - Does not include USOA which is debt funded through USOA issued debt



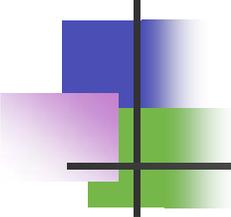
5-Year CIP Reinvestment

- \$90.7 M at Existing Collection Facilities
 - Sewer improvements - \$49.8 M
 - Pumping stations - \$39.5 M
 - Building Renovations - \$1.8 M
- \$103.0 M for Reinvestment at NMCPCP
- \$58.6 M for TbC Reinvestment
- Gross Capital Assets \$1.859 Billion
- Reinvestment rate 2.7% per year



Reinvestment

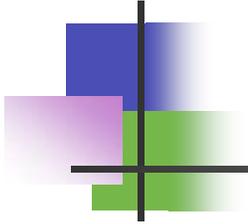
- Impact of delayed reinvestment
 - Deterioration of facilities
 - An “Incident”
 - Mandated reinvestment
- WWM Approach
 - Thoughtful, prioritized reinvestment
 - Move from debt financing to pay go financing
 - Minimizes incidents, maintains control, avoids “reactionary” expenses



Future Challenge

Meet the CIP needs with changes in revenue

- Fewer new customers, greater reliance on existing customers
- Stricter regulations
- Aging infrastructure
- Economic uncertainty



Questions?