

Fund 69310

Sewer Bond Construction

Focus

Fund 69310, Sewer Bond Construction, provides for major sewer system construction projects including upgrades and expansions of sewage treatment plants utilized by Fairfax County residents that are funded primarily from the sale of sewer revenue bonds. Funding to continue to meet state regulatory requirements for nitrogen removal and plant upgrades for the County's pro rata share at the District of Columbia Water and Sewer Authority (DCWASA), the Alexandria Renew Enterprise (AREnew), the Arlington County Treatment Plant, and the County's Noman M. Cole, Jr. Pollution Control Plant is supported by revenue bonds from Fund 69310, Sewer Bond Construction, or by cash from Fund 69300, Sewer Construction Improvements.

The Chesapeake Bay water quality program requires reductions in the amount of nutrient pollutants. The County's Virginia Pollutant Discharge Elimination System (VPDES) permit includes a requirement that nutrient removal be performed at the "State of the Art." The County has a nitrogen discharge annual mass limit of 612,158 pounds per year which is achievable at capacity flow if the County's effluent has an average nitrogen concentration of 3.0 milligrams per liter. A phased approach has been under way to renovate and upgrade current plant facilities to accommodate these new more stringent nutrient discharge requirements.



Funding in the amount of \$13,000,000 is included in Fund 69310, Sewer Bond Construction, in FY 2016. This funding is provided by a transfer from Fund 69000, Sewer Revenue, based on the availability of cash to pay for this portion of the construction project. The use of cash will ultimately save the County from interest payments on borrowed funds. This funding supports the reinvestment in the Noman M. Cole, Jr. Pollution Control Plant in order to maintain regulatory compliance requirements as they pertain to the Clean Water Act, Chesapeake Bay Preservation Program and Title V of the Clean Air Act as enforced by the Virginia Department of Environmental Quality. The renovation program follows the plant's Master Plan to evaluate and prioritize projects.

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Changes to FY 2015 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2015 Revised Budget Plan since passage of the FY 2015 Adopted Budget Plan. Included are all adjustments made as part of the FY 2014 Carryover Review, FY 2015 Third Quarter Review, and all other approved changes through April 30, 2015.

- ◆ **Carryover Adjustments** **\$31,510,145**
As part of the *FY 2014 Carryover Review*, the Board of Supervisors approved funding of \$31,510,145 due to the carryover of unexpended project balances in the amount of \$31,444,453 and an adjustment of \$65,692 to appropriate accumulated Interest on Investments revenue received in FY 2014.

A Fund Statement and a Summary of Capital Projects are provided on the following pages. The Summary of Capital Projects may include some projects without a Total Project Estimate amount. These projects are considered "continuing" projects or projects for which funding is necessary on an ongoing basis (e.g., a contingency or planning project).

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FUND STATEMENT

Fund 69310, Sewer Bond Construction

	FY 2014 Actual	FY 2015 Adopted Budget Plan	FY 2015 Revised Budget Plan	FY 2016 Advertised Budget Plan	FY 2016 Adopted Budget Plan
Beginning Balance	\$56,956,925	\$0	\$20,680,869	\$0	\$0
Revenue:					
Interest on Investments	\$65,692	\$0	\$0	\$0	\$0
Virginia Water Quality Improvement Grant ¹	591,814	0	10,829,276	0	0
Total Revenue	\$657,506	\$0	\$10,829,276	\$0	\$0
Transfer In:					
Sewer Revenue (69000)	\$0	\$0	\$0	\$13,000,000	\$13,000,000
Total Transfers In	\$0	\$0	\$0	\$13,000,000	\$13,000,000
Total Available	\$57,614,431	\$0	\$31,510,145	\$13,000,000	\$13,000,000
Total Expenditures	\$36,933,562	\$0	\$31,510,145	\$13,000,000	\$13,000,000
Total Disbursements	\$36,933,562	\$0	\$31,510,145	\$13,000,000	\$13,000,000
Ending Balance²	\$20,680,869	\$0	\$0	\$0	\$0

¹ Reflects Virginia Water Quality Improvement Fund Point Source grant approved by the Board of Supervisors on February 23, 2009 for nitrogen removal requirements associated with the Chesapeake Bay Program. In FY 2014, an amount of \$591,814 was received and \$10,829,276 is anticipated in FY 2015 and beyond.

² The capital projects in this sewer fund are budgeted based on the total project costs. Most projects span multiple years, from design to construction completion. Therefore, funding for capital projects is carried forward each fiscal year, and ending balances fluctuate, reflecting the carryover of these funds.

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FY 2016 Summary of Capital Projects

Fund 69310, Sewer Bond Construction

Project	Total Project Estimate	FY 2014 Actual Expenditures	FY 2015 Revised Budget	FY 2016 Advertised Budget Plan	FY 2016 Adopted Budget Plan
Alexandria WWTP Upgrades (WW-000013)	\$48,853,027	\$8,352,103.59	\$389,450.25	\$0.00	\$0.00
DC Blue Plains WWTP Upgrades (WW-000011)	95,832,000	0.00	3,654,219.75	0.00	0.00
Noman Cole Treatment Plant Renovations (WW-000017)	89,876,497	24,687,888.18	20,413,438.28	13,000,000	13,000,000
Noman Cole Treatment Plant Upgrades (WW-000016)	61,011,331	3,869,111.02	7,053,036.73	0.00	0.00
Noman Cole Water Reuse (WW-000010)	15,550,208	24,458.77	0.00	0.00	0.00
Total	\$311,123,063	\$36,933,561.56	\$31,510,145.01	\$13,000,000	\$13,000,000