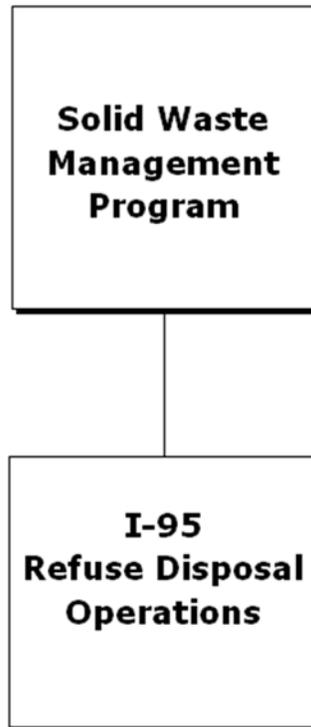


Fund 40170

I-95 Refuse Disposal



Mission

The Fairfax County Solid Waste Management Program (SWMP) is dedicated to keeping Fairfax County clean by preventing pollution and other contamination associated with the improper disposal of refuse. This is achieved by providing environmentally-sound and economically-viable management of refuse and recyclables through the operation of the I-95 Landfill Complex in Lorton, Virginia. The primary activity performed is the landfilling of ash generated from the combustion of waste at the Energy/Resource Recovery Facility (E/RRF). The following activities are conducted at this location:

I-95 Refuse Disposal supports the following County Vision Elements:

-  *Creating a Culture of Engagement*
-  *Connecting People and Places*
-  *Practicing Environmental Stewardship*
-  *Maintaining Safe and Caring Communities*

- The E/RRF combustion process generates ash which is landfilled on site by County employees. Ash from the E/RRF, a similar Covanta facility serving the City of Alexandria, Arlington County and the Noman Cole Plant, are disposed of at the I-95 Ash Landfill.
- Brush is ground into mulch for reuse using county staff and equipment.

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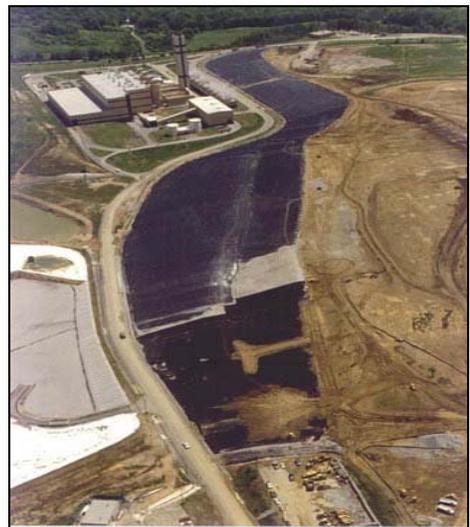
- Leaves and grass are transported to composting facilities in Prince William and Loudoun Counties where it is processed into a soil amendment.
- Landfill gas generated at the closed landfill generates methane captured and processed for power production.
- Staff and equipment from the I-95 facility are used to respond to emergencies by providing debris removal during emergencies and disasters, including snow and ice control in winter months.
- Other programs conducted at the I-95 facility include: operation of the Recycling and Disposal Centers (RDCs) for residents and small businesses, Household Hazardous Waste, electronics recycling, used motor oil, antifreeze and cooking oil recycling, latex paint recycling; automotive battery recycling, and scrap metal/appliance recycling.
- The SWMP manages environmental control programs for the closed portion of the landfill as required by federal and state regulations. Systems to control landfill gas and groundwater and stormwater impacts attributed to waste disposal are operated and maintained by County staff.

Focus

The County has operated the I-95 Landfill Complex for more than 25 years providing solid waste services to residents and businesses. This is the location of the municipal solid waste (MSW) landfill that was designed and constructed by the District of Columbia and operated from 1970 to 1995. This landfill accepted unprocessed (waste that is not combusted) and closed in December 1995; since that time, the facility has accepted only ash generated by the combustion of waste.

The ash landfill has been constructed in four phases and meets federal and state standards for the construction of new landfills which requires a double liner with a leachate collection system for the prevention of groundwater degradation. Phases I and II have reached capacity and have been covered with an intermediate cover system. Phase III is currently being used for ash disposal and has at least five years of capacity remaining. Phase IV has not yet been constructed.

The E/RRF's suite of pollution control equipment includes a dolomitic lime system that chemically treats the ash to reduce the potential of mobilizing metals that may leach from the ash after landfilling. The ash is tested twice per year using the Toxicity Characteristic Leaching Procedure (TCLP), as specified in federal regulations. During FY 2016, analysis of the ash by a certified laboratory found the ash to be non-hazardous, demonstrating that all parameters analyzed are within the limits for all regulated constituents.



This facility is responsible for management of the closed portion of the municipal solid waste landfill including landfill gas control, groundwater monitoring and remediation, storm water management and leachate control. These activities ensure compliance with the facility's state-issued permit (SWP103) and

Fund 40170 I-95 Refuse Disposal

applicable environmental regulations administered by the Virginia Department of Environmental Quality (VDEQ).

The ash disposal fee in FY 2017 for Fund 40170, I-95 Refuse Disposal, will increase to \$25.50 per ton from \$24.50 per ton to provide adequate funding for operations and capital projects and maintain acceptable Post-Closure reserves. It should be noted that subsequent to the release of the FY 2017 Advertised Budget Plan, the Landfill Ash disposal fee, originally proposed to increase from \$24.50 per ton to \$26.50 per ton, was set at \$25.50 per ton in accordance with an amended Waste Disposal Agreement with Covanta. The Post-Closure Reserve is required for a 30-year period after the ashfill landfill is closed as mandated by federal and state regulations. FY 2017 Post-Closure Reserve is \$27.0 million or 53.3 percent of the permit requirement of \$50.7 million. Prior to FY 2010, high interest earning rates had provided sufficient funds to support operating expenditures, as well as, provide adequate reserve funding required for capital projects and post closure care. It had allowed the fund to maintain the lower ash disposal fee of \$11.50 per ton from FY 2001 to FY 2009. Since that time, interest earnings have continued to decline and operational requirements have exceeded available resources. Increased maintenance needs require additional funding to ensure that the landfill remains in compliance with its many permits. In addition, the ash tonnage has declined in recent years which can be attributed to the sluggish economy and increases in recycling. The estimated FY 2017 revenue from the increased ash disposal fee aligns revenue with actual experience. The rate increase in FY 2017 is part of a phased approach to stabilize the fund and continues to build the state and federally mandated Post-Closure Reserve requirements.

Performance measures for Solid Waste are displayed at a program-wide level. Please refer to the Solid Waste Management Program Overview in Volume 2 of the FY 2017 Adopted Budget Plan for those items.

Budget and Staff Resources

Category	FY 2015 Actual	FY 2016 Adopted	FY 2016 Revised	FY 2017 Advertised	FY 2017 Adopted
FUNDING					
Expenditures:					
Personnel Services	\$3,611,402	\$3,822,075	\$3,822,075	\$3,870,633	\$3,870,633
Operating Expenses	3,608,614	3,787,316	4,082,723	3,787,316	3,787,316
Capital Equipment	566,433	100,000	500,000	550,000	550,000
Capital Projects	1,518,499	0	7,731,037	600,000	600,000
Total Expenditures	\$9,304,948	\$7,709,391	\$16,135,835	\$8,807,949	\$8,807,949
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	42 / 42	42 / 42	40 / 40	41 / 41	40 / 40
1 Engineer V	3	Engineering Technicians II	1	Maintenance Supervisor	
1 Senior Engineer III	2	Engineering Technicians I	1	Weighmaster	
1 Engineer III	1	Management Analyst I	1	Administrative Assistant II	
1 Sr. Environmental Specialist	4	Asst. Refuse Superintendents	1	Senior Maintenance Worker	
4 Public Works Env. Svcs. Specs.	1	Construction Project Manager II	6	Maintenance Workers	
1 PW/ES Technical Specialist	9	Heavy Equipment Operators	1	Motor Equipment Operator	
TOTAL POSITIONS					
40 Positions / 40.0 FTE					

Fund 40170

I-95 Refuse Disposal

FY 2017 Funding Adjustments

The following funding adjustments from the FY 2016 Adopted Budget Plan are necessary to support the FY 2017 program. Included are all adjustments recommended by the County Executive that were approved by the Board of Supervisors, as well as any additional Board of Supervisors' actions, as approved in the adoption of the budget on April 26, 2016.

- ◆ **Employee Compensation** **\$104,620**

An increase of \$104,620 in Personnel Services includes \$46,256 for a 1.33 percent market rate adjustment (MRA) for all employees and \$54,161 for performance-based and longevity increases for non-uniformed merit employees, both effective July 2016, as well as \$4,203 for employee pay increases for specific job classes identified in the County's benchmark class survey of comparator jurisdictions.

- ◆ **Other Post-Employment Benefits** **(\$56,062)**

A decrease of \$56,062 in Personnel Services reflects required adjustments associated with providing Other Post-Employment Benefits (OPEBs) to retirees, including the Retiree Health benefits Subsidy. For more information on Other Post-Employment Benefits, please refer to Fund 73030, OPEB Trust Fund, in Volume 2 of the FY 2017 Adopted Budget Plan.

- ◆ **Capital Equipment** **\$550,000**

Funding of \$550,000 in Capital Equipment is included for the replacement of one bull dozer and one mid-size dump truck. These items have exceeded its useful life and are required to be replaced based on the overall age and condition of the equipment.

- ◆ **Capital Projects** **\$600,000**

Funding of \$600,000 in Capital Projects is included in FY 2017. Funding will support the construction of an enclosed facility to handle the Hazardous Waste Materials at the I-95 Complex improving environmental conditions and customer service. The building will be comprised of two components: the concrete base of the floor and walls, and a fabric structure to enclose the facility. The base of the structure provides push walls for dumping and loading activities as well as sound suppression. The fabric structure provides protection from the elements, as well as natural lighting with no internal columns for dumping clearance inside the structure.

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I-95 Refuse Disposal

Changes to FY 2016 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2016 Revised Budget Plan since passage of the FY 2016 Adopted Budget Plan. Included are all adjustments made as part of the FY 2015 Carryover Review, FY 2016 Third Quarter Review, and all other approved changes through April 30, 2016.

- ◆ **Carryover Adjustments** **\$8,126,444**
As part of the *FY 2015 Carryover Review*, the Board of Supervisors approved an increase of \$8,126,444, including encumbered carryover of \$295,407 and the carryover of unexpended capital project balances of \$7,431,037. In addition, an increase of \$400,000 in unencumbered carryover in Capital Projects for the replacement of two pit scales at the I-95 landfill.

- ◆ **Third Quarter Adjustments** **\$300,000**
As part of the *FY 2016 Third Quarter Review*, the Board of Supervisors approved an increase of \$300,000 for project SW-000020, I-95 Landfill Lot B Redesign, to fund the design, construction, reconstruction and retrofit of the I-95 landfill's existing Lot B area which is used for various residential solid waste drop-off activities.

- ◆ **Position Adjustments** **\$0**
In order to properly align staff with workload requirements, 2/2.0 FTE Industrial Electrician positions and 1/1.0 FTE Engineer Technician II position were transferred from Fund 40170, I-95 Refuse Disposal: 2/2.0 FTE to Fund 40150, Refuse Disposal; and 1/1.0 FTE to Fund 69010, Sewer Operation and Maintenance. This was offset by a transfer of 1/1.0 FTE Senior Engineer III from Fund 40140, Refuse Collection and Recycling to Fund 40170, I-95 Refuse Disposal.

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).

Fund 40170 I-95 Refuse Disposal

FUND STATEMENT

Fund 40170, I-95 Refuse Disposal

	FY 2015 Actual	FY 2016 Adopted Budget Plan	FY 2016 Revised Budget Plan	FY 2017 Advertised Budget Plan	FY 2017 Adopted Budget Plan
Beginning Balance	\$37,095,349	\$26,718,686	\$35,657,796	\$28,289,349	\$27,989,349
Revenue:					
Interest on Investments	\$33,742	\$53,437	\$53,437	\$53,437	\$53,437
Refuse Disposal Revenue	7,673,775	8,385,751	8,385,751	8,856,500	8,856,500
Other Revenue:					
Fees, Landfill Permit	\$0	\$7,200	\$7,200	\$7,200	\$7,200
Sale of Equipment	233,953	5,000	5,000	5,000	5,000
Miscellaneous Revenue	100,925	202,000	202,000	202,000	202,000
Subtotal Other Revenue	\$334,878	\$214,200	\$214,200	\$214,200	\$214,200
Total Revenue	\$8,042,395	\$8,653,388	\$8,653,388	\$9,124,137	\$9,124,137
Total Available	\$45,137,744	\$35,372,074	\$44,311,184	\$37,413,486	\$37,113,486
Expenditures:					
Personnel Services	\$3,611,402	\$3,822,075	\$3,822,075	\$3,870,633	\$3,870,633
Operating Expenses	3,608,614	3,787,316	4,082,723	3,787,316	3,787,316
Capital Equipment	566,433	100,000	500,000	550,000	550,000
Capital Projects	1,518,499	0	7,731,037	600,000	600,000
Total Expenditures	\$9,304,948	\$7,709,391	\$16,135,835	\$8,807,949	\$8,807,949
Transfers Out:					
General Fund (10001) ¹	\$175,000	\$186,000	\$186,000	\$186,000	\$186,000
Total Transfers Out	\$175,000	\$186,000	\$186,000	\$186,000	\$186,000
Total Disbursements	\$9,479,948	\$7,895,391	\$16,321,835	\$8,993,949	\$8,993,949
Ending Balance²	\$35,657,796	\$27,476,683	\$27,989,349	\$28,419,537	\$28,119,537
Reserves					
Active Cell Closure Liability Reserve ³	\$257,165	\$257,165	\$257,165	\$257,165	\$257,165
Environmental Reserve ⁴	500,000	500,000	500,000	500,000	500,000
Operating Reserve ⁵	33,007	135,697	135,697	162,372	162,372
Capital Equipment Reserve ⁶	480,085	583,821	283,821	500,000	200,000
Post-Closure Reserve ⁷	34,387,539	26,000,000	26,812,666	27,000,000	27,000,000
Unreserved Ending Balance	\$0	\$0	\$0	\$0	\$0
Disposal Fee/Ton ⁸	\$22.50	\$24.50	\$24.50	\$26.50	\$25.50

Fund 40170

I-95 Refuse Disposal

¹ Funding in the amount of \$186,000 is transferred to the General Fund to partially offset central support services supported by the General Fund which benefit Fund 40170. These indirect costs include support services such as Human Resources, Purchasing, Budget and other administrative services.

² Ending balance fluctuations are a result of operating and revenue requirements that change annually. Funding is carried forward each fiscal year to provide flexibility given the uncertainty of market conditions and expenditure requirements.

³ The Active Cell Closure Liability Reserve is necessary for the closure of active disposal cells of the Ashfill and is necessary for ashfilling activities to progress in accord with state requirements.

⁴ The Environmental Reserve assures that the County has funds to implement, or at least start to implement, unplanned actions to protect the environment or meet regulatory requirements. Specific examples of future environmental projects are likely to include: Landfill Gas Control Projects, Stormwater Management, Wastewater (Leachate) Management, and Groundwater protective measures.

⁵ The Operating Reserve is used for the timely replacement of obsolete computer equipment, unanticipated operating expenditures and fluctuations in revenues.

⁶ The Capital Equipment Reserve provides for the timely replacement of equipment required to operate the I-95 Ashfill. Funds are transferred from Ash Disposal Revenue to equipment reserve as are proceeds from the sale of equipment. The reserve requirement is based on a replacement schedule comprised of yearly payments to the reserve, which are based on the useful life of the equipment and vehicles.

⁷ The Post-Closure Reserve is required for a 30-year period after the ashfill closes and is mandated by federal and state regulations. The projected reserve of \$27.0 million for FY 2017 represents 53.3 percent of the estimated requirement of \$50,687,416 and is not sufficient to cover all identified costs. Additional funds will be set aside in future years.

⁸ The FY 2017 ash disposal fee will increase from \$24.50 to \$25.50 per ton as part of an ammended Waste Disposal Agreement between the County and Covanta.

Fund 40170 I-95 Refuse Disposal

FY 2017 Summary of Capital Projects

Fund 40170, I-95 Refuse Disposal

Project	Total Project Estimate	FY 2015 Actual Expenditures	FY 2016 Revised Budget	FY 2017 Advertised Budget Plan	FY 2017 Adopted Budget Plan
I-95 Landfill Closure (SW-000019)	\$1,940,098	\$1,454.08	\$1,938,644.11	\$0	\$0
I-95 Landfill Environmental Compliance (SW-000016)	2,765,378	97,246.51	2,668,131.19	0	0
I-95 Landfill Leachate Facility (2G25-002-000)	1,446,364	(69,709.95)	0.00	0	0
I-95 Landfill Leachate Facility (SW-000018)	2,074,636	448,863.30	1,625,772.82	0	0
I-95 Landfill Lot B Redesign (SW-000020)	300,000	0.00	300,000.00	0	0
I-95 Methane Gas Recovery (SW-000014)	2,259,232	1,061,905.97	1,197,325.99	0	0
I-95 Operation Building Renovation (SW-000015)	28,952	27,789.69	1,162.57	0	0
I-95 Transfer/Materials Recovery Fac. (SW-000022)	600,000	0.00	0.00	600,000	600,000
Methane Gas Recovery (SW-000003)	2,443,818	(49,050.78)	0.00	0	0
Total	\$13,858,478	\$1,518,498.82	\$7,731,036.68	\$600,000	\$600,000