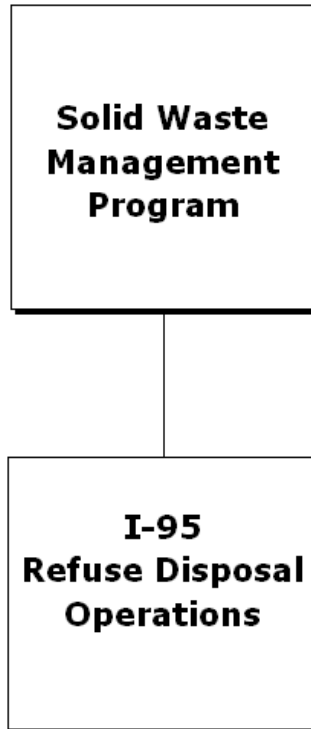


Fund 40170





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 Covanta combustion process generates ash, which is landfilled on site by County employees. Ash from a similar Covanta facility serving the City of Alexandria and 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.

Fund 40170

I-95 Refuse Disposal

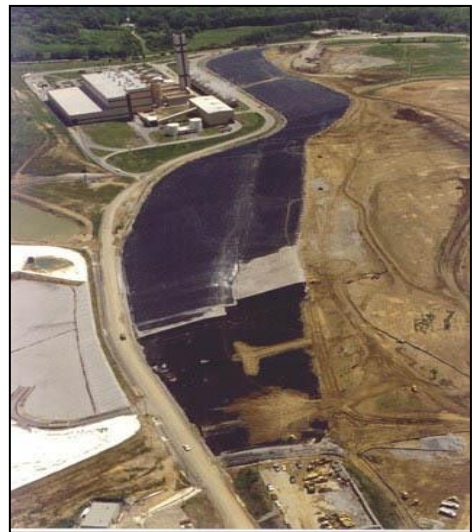
- Leaves and grass are transported to composting facilities in Prince William and Loudoun Counties where it is processed into a soil amendment.
- Landfill gas generated at the closed landfill generates methane captured and processed for power production.
- Staff and equipment from the I-95 facility are 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 a Recycling and Disposal Center (RDC) for residents and small businesses; Household Hazardous Waste; and recycling of electronics, motor oil, antifreeze, cooking oil, latex paint, automotive batteries, and scrap metal.
- 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 was owned and operated by the District of Columbia from 1970 to 1995. It has not accepted municipal waste since December 1995 and only accepts ash generated by the combustion of waste.

The ash landfill has been designed 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.

Covanta'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 2017, 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 the 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 applicable environmental regulations administered by the Virginia Department of Environmental Quality (VDEQ).

Fund 40170

I-95 Refuse Disposal

The ash disposal fee in FY 2019 received by Fund 40170, I-95 Refuse Disposal from Fund 40150 Refuse Disposal is \$26.50 per ton to fund the ash disposal operation. Covanta Fairfax, Inc. pays SWMP \$1.60 per ton to transport ash debris from the E/RRF facility to the landfill. The landfill's Post-Closure Reserve is required for a 30-year period after the ash landfill is closed as mandated by federal and state regulations. The FY 2019 Post-Closure Reserve is projected to be \$24.5 million or 54.6 percent of the required \$44.9 million. Increased maintenance needs require additional funding to ensure the landfill remains in compliance with its many permits. It should be noted the FY 2018 tonnage estimates (and resulting revenue) continues to be impacted by the fire at the Covanta facility which reopened in January 2018. The estimated FY 2019 revenue from the ash disposal fee assumes a return to recent trends outside of the period impacted by the fire and strives to continue 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 2019 Adopted Budget Plan](#) for those items.

Budget and Staff Resources

Category	FY 2017 Actual	FY 2018 Adopted	FY 2018 Revised	FY 2019 Advertised	FY 2019 Adopted
FUNDING					
Expenditures:					
Personnel Services	\$3,525,598	\$3,916,795	\$3,916,795	\$4,066,281	\$4,066,281
Operating Expenses	2,521,283	3,302,079	3,424,773	3,302,079	3,302,079
Capital Equipment	569,298	850,000	1,239,773	640,000	640,000
Capital Projects	3,376,159	2,550,000	6,847,532	0	0
Total Expenditures	\$9,992,338	\$10,618,874	\$15,428,873	\$8,008,360	\$8,008,360
AUTHORIZED POSITIONS/FULL-TIME EQUIVALENT (FTE)					
Regular	40 / 40	40 / 40	40 / 40	41 / 41	40 / 40
1 Engineer V	1 Financial Specialist II	9 Heavy Equipment Operators			
1 Public Works Env. Svcs. Mgr.	4 Asst. Refuse Superintendents	1 Motor Equipment Operator			
1 Project Manager II	1 Engineering Technician III	1 Maintenance Supervisor			
1 Senior Engineer III	3 Engineering Technicians II	1 Senior Maintenance Worker			
1 Sr. Environmental Specialist	2 Engineering Technicians I	4 Maintenance Workers			
3 Public Works Env. Svcs. Specs.	1 Management Analyst I	1 Administrative Assistant III			
1 Safety Analyst	1 Lead Refuse Operator	1 Administrative Assistant II			
TOTAL POSITIONS					
40 Positions / 40.0 FTE					

Fund 40170

I-95 Refuse Disposal

FY 2019 Funding Adjustments

The following funding adjustments from the FY 2018 Adopted Budget Plan are necessary to support the FY 2019 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 May 1, 2018.

- ◆ **Employee Compensation** **\$131,517**
An increase of \$131,517 in Personnel Services includes \$83,874 for a 2.25 percent market rate adjustment (MRA) for all employees and \$47,643 for performance-based and longevity increases for non-uniformed merit employees, both effective July 2018.
- ◆ **Other Post-Employment Benefits** **\$17,969**
An increase of \$17,969 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, in Volume 2 of the FY 2019 Adopted Budget Plan.
- ◆ **Capital Equipment** **\$640,000**
Funding of \$640,000 in Capital Equipment is included for the replacement of one motor grater and the design and feasibility study of the Service Road Project to separate the moving of commercial and residents in connection with the installation of new scales.

Changes to FY 2018 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2018 Revised Budget Plan since passage of the FY 2018 Adopted Budget Plan. Included are all adjustments made as part of the FY 2017 Carryover Review, FY 2018 Third Quarter Review, and all other approved changes through April 30, 2018.

- ◆ **Carryover Adjustments** **\$4,809,999**
As part of the FY 2017 Carryover Review, the Board of Supervisors approved an increase of \$4,809,999, including \$4,297,532 in unexpended Capital Project balances, \$172,694 in encumbered carryover in Operating Expenses, and \$339,773 in encumbered carryover in Capital Equipment for the replacement of two pit scales at the Recycling and Disposal Center at the I-95 landfill.
- ◆ **Position Adjustments** **\$0**
In order to properly align staff with workload requirements 2/2.0 FTE positions were transferred from Fund 40140, Refuse Collection and Recycling Operations and 1/1.0 FTE position was transferred from Fund 40150, Refuse Disposal to Fund 40170, I-95 Refuse Disposal. In addition, 1/1.0 FTE position was transferred from Fund 40170, I-95 Refuse Disposal to Fund 40150, Refuse Disposal and 2/2.0 FTE positions were transferred to another agency resulting in no net change.

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 2017 Actual	FY 2018 Adopted Budget Plan	FY 2018 Revised Budget Plan	FY 2019 Advertised Budget Plan	FY 2019 Adopted Budget Plan
Beginning Balance	\$36,694,304	\$26,030,137	\$33,050,773	\$26,717,050	\$23,018,112
Revenue:					
Interest on Investments	\$203,475	\$59,256	\$59,256	\$252,000	\$252,000
Refuse Disposal Revenue ^{1,2}	6,087,753	8,698,500	4,981,756	9,143,000	9,143,000
Other Revenue:					
Fees, Landfill Permit	0	7,200	7,200	0	0
Sale of Equipment	30,090	330,000	330,000	100,000	100,000
Miscellaneous Revenue	213,489	204,000	204,000	204,000	204,000
Subtotal Other Revenue	\$243,579	\$541,200	\$541,200	\$304,000	\$304,000
Total Revenue	\$6,534,807	\$9,298,956	\$5,582,212	\$9,699,000	\$9,699,000
Total Available	\$43,229,111	\$35,329,093	\$38,632,985	\$36,416,050	\$32,717,112
Expenditures:					
Personnel Services	\$3,525,598	\$3,916,795	\$3,916,795	\$4,066,281	\$4,066,281
Operating Expenses	2,521,283	3,302,079	3,424,773	3,302,079	3,302,079
Capital Equipment	569,298	850,000	1,239,773	640,000	640,000
Capital Projects	3,376,159	2,550,000	6,847,532	0	0
Total Expenditures	\$9,992,338	\$10,618,874	\$15,428,873	\$8,008,360	\$8,008,360
Transfers Out:					
General Fund (10001) ³	\$186,000	\$186,000	\$186,000	\$186,000	\$186,000
Total Transfers Out	\$186,000	\$186,000	\$186,000	\$186,000	\$186,000
Total Disbursements	\$10,178,338	\$10,804,874	\$15,614,873	\$8,194,360	\$8,194,360
Ending Balance⁴	\$33,050,773	\$24,524,219	\$23,018,112	\$28,221,690	\$24,522,752
Reserves					
Active Cell Closure Liability Reserve ⁵	\$257,165	\$143,915	\$0	\$0	\$0
Environmental Reserve ⁶	1,000,000	100,000	0	149,369	0
Operating Reserve ⁷	575,802	80,304	0	300,000	0
Capital Equipment Reserve ⁸	200,000	200,000	0	772,321	0
Post-Closure Reserve ⁹	31,017,806	24,000,000	23,018,112	27,000,000	24,522,752
Unreserved Ending Balance	\$0	\$0	\$0	\$0	\$0
Disposal Fee/Ton ¹⁰	\$25.50	\$25.50	\$25.50	\$26.50	\$26.50

Fund 40170

I-95 Refuse Disposal

¹ In order to account for revenues in the proper fiscal year, audit adjustments have been reflected as an increase of \$17,805.85 in FY 2017 revenues to accurately record additional revenue received. This impacts the amount carried forward and results in an increase of \$17,805.85 to the *FY 2018 Revised Budget Plan*. This audit adjustment was included in the 2017 Comprehensive Annual Financial Report (CAFER). Details of the audit adjustment were included in the FY 2018 Third Quarter Package.

² The FY 2018 Revised Estimate is lower due to the loss of six months of ash disposal and ash hauling revenues as a result of the Covanta fire.

³ 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.

⁴ 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.

⁵ 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.

⁶ 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.

⁷ The Operating Reserve is used for the timely replacement of obsolete computer equipment, unanticipated operating expenditures and fluctuations in revenues.

⁸ 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 composed of yearly payments to the reserve, which are based on the useful life of the equipment and vehicles.

⁹ 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 \$24.5 million for FY 2019 represents 54.6 percent of the estimated requirement of \$44.9 million and is not sufficient to cover all identified costs. Actual post-closure requirement amounts can fluctuate based on inflation, changes in technology, or changes in regulations. Additional funds will be set aside in future years.

¹⁰ The FY 2019 ash disposal fee increased to \$26.50 per ton to provide adequate funding for operations and capital projects and maintain acceptable Post-Closure reserves.

Fund 40170

I-95 Refuse Disposal

FY 2019 Summary of Capital Projects

Fund 40170, I-95 Refuse Disposal

Project	Total Project Estimate	FY 2017 Actual Expenditures	FY 2018 Revised Budget	FY 2019 Advertised Budget Plan	FY 2019 Adopted Budget Plan
I-95 Landfill Closure (SW-000019)	\$1,840,098	\$0.00	\$1,838,644.11	\$0	\$0
I-95 Landfill Environmental Compliance (SW-000016)	1,059,536	43,682.86	916,135.33	0	0
I-95 Landfill Leachate Facility (SW-000018)	3,860,478	3,194,130.28	137,835.67	0	0
I-95 Landfill Lot B Redesign (SW-000020)	1,250,000	0.00	1,250,000.00	0	0
I-95 Methane Gas Recovery (SW-000014)	2,259,232	138,345.61	483,754.66	0	0
I-95 Operation Building Renovation (SW-000015)	48,952	0.00	21,162.57	0	0
I-95 Transfer/Materials Recovery Fac. (SW-000022)	2,200,000	0.00	2,200,000.00	0	0
Total	\$12,518,296	\$3,376,158.75	\$6,847,532.34	\$0	\$0