



Legislation Review

# Review of the Fiscal Year 2025 Proposed Capital Budget and Program Wastewater (S Class)

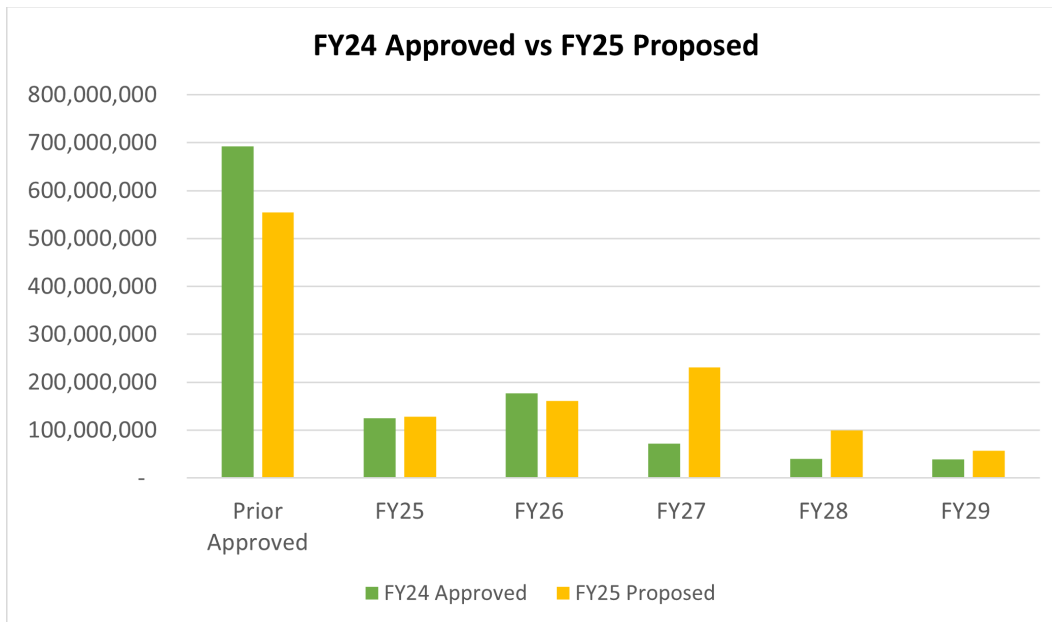
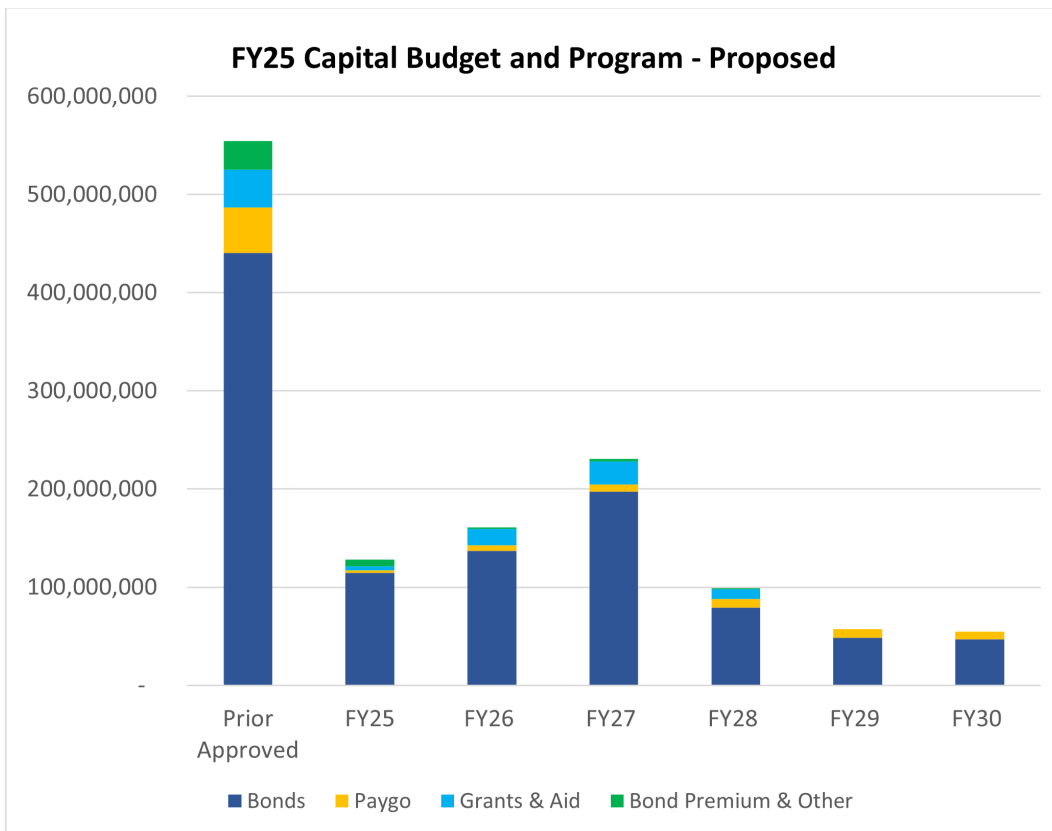
Report Date: May 15, 2024  
Hearing date: May 16, 2024

<b>Questions Sent to Agency:</b>	<b>April 26, 2024</b>
<b>Responses Received from Agency:</b>	<b>May 3, 2024</b>

**This analysis considers all agency responses.**

## Wastewater (S Class)

### Capital Budget Summary



Note: Chart data provided in Appendix

- The FY25 Proposed Capital Budget and Program includes 49 projects: 37 stand-alone/one-time and 12 multi-year/recurring.
- New project funding is provided for:
  - Mayo Tank Replacement (Project #S810700, p. 409 of the capital budget book) for \$2,500,000 in FY25 WasteWater Bonds. The total capital budget and program provides funding of \$25,445,000 for the first six years of a 20-year replacement program; and
  - WRF Aeration System Imprv (Project #S810600, p. 408) for \$5,715,000 in FY25 WasteWater Bonds for improvements at the Annapolis, Broadneck, and Cox Creek Water Reclamation Facilities.
- The four projects receiving the largest FY25 funding amounts in the FY25 Proposed Capital Budget are:
  - \$22,200,000 for Upgr/Retrofit SPS (Project #791800, p. 387);
  - \$20,000,000 for Sewer Main Repl/Recon (Project #X738800, p. 410);
  - \$12,033,000 for Annapolis WRF Upgrade (Project #S807300, p. 397); and
  - \$11,987,000 for Biosolids Facility (Project #S810200, p. 406).

## Capital Budget – Key Observations

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- 1. Biosolids Facility (Project #S810200, p. 406)** – The Proposed FY25 Capital Budget and Program includes \$1,987,000 in FY25 WasteWater Bonds and \$10,000,000 in Other State Grants for continued design and initial construction funding for this project which has a \$132,290,000 total estimated cost. The project will ultimately treat all biosolids from the County’s six water reclamation facilities (WRFs). The Department of Public Works (DPW) advised it is pursuing additional grant opportunities to assist with the funding of this project. DPW advises that when operational, the facility may provide auxiliary revenue and operating costs savings in other County operations.
- 2. Change in Scope – Wastewater Strategic Plan (Project #S776700, p. 385)** – The proposed budget increases \$500,000 in FY25 WasteWater PAYGO over the planned amount. The \$500,000 is an allowance to support the procurement of a new utility allocation software system. There is a corresponding allocation of \$500,000 in the Water Strategic Plan (Project #W778800, p. 439) for a total of \$1,000,000 for this system.
- 3. Upg/Retrofit SPS (Project #S791800, p. 387)** – This program funds upgrades to the 271 existing sewage pumping stations. As of March 31, 2024, this project had an available balance of \$3,557,802. The FY25 Proposed Capital Budget and Program provides \$22,200,000, \$9,700,000 more than estimated in the FY24 Capital Budget. DPW has identified 22 projects totaling \$34,800,000 that could be funded. DPW states that it prioritizes projects within available funding based on the condition of the existing equipment and the risk and consequences of a failure; however, over the past five fiscal years, the expenditures for this program have not exceeded \$12,300,000. We are following up to determine if capacity exists to utilize the additional funds.

Analysis of the FY25 Proposed Capital Budget and Program

**Appendix: Chart Data**

**FY25 Proposed Capital Budget and Program vs FY24 Approved**

<b>Funding Source</b>	<b>Prior Approved</b>	<b>FY25</b>	<b>FY26</b>	<b>FY27</b>	<b>FY28</b>	<b>FY29</b>	<b>FY30</b>	<b>Total Proposed</b>
Bonds	440,626,800	114,514,000	136,762,900	197,489,600	79,290,600	48,531,000	46,782,000	623,370,100
Paygo	46,151,511	2,670,000	5,949,000	7,166,000	8,677,000	8,546,000	7,861,000	40,869,000
Impact Fees	-	-	-	-	-	-	-	-
Grants & Aid	38,373,000	4,200,000	16,894,200	23,300,800	9,700,800	-	-	54,095,800
Bond Premium & Other	29,514,287	6,960,000	1,326,900	2,912,600	1,212,600	-	-	12,412,100
<b>FY25 Proposed</b>	<b>554,665,598</b>	<b>128,344,000</b>	<b>160,933,000</b>	<b>230,869,000</b>	<b>98,881,000</b>	<b>57,077,000</b>	<b>54,643,000</b>	<b>730,747,000</b>
FY24 Approved	692,350,413	124,908,000	176,582,000	71,601,000	40,340,000	38,789,000		452,220,000