

2007 SESSION

HOUSE SUBSTITUTE

073478260

HOUSE BILL NO. 1710

AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the House Committee on Appropriations  
on January 26, 2007)

(Patron Prior to Substitute—Delegate Callahan)

A BILL to amend the Code of Virginia by adding a section numbered 10.1-1186.01, relating to reimbursement to localities of funds for upgrades of publicly owned treatment works.

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding a section numbered 10.1-1186.01 as follows:

§ 10.1-1186.01. Reimbursements to localities for upgrades to treatment works.

A. In addition to any deposits made pursuant to § 10.1-2128, the General Assembly shall provide \$500,000,000 for the provision of grants to finance the reasonable costs of design and installation of nutrient removal technology at the publicly owned treatment works designated as significant dischargers or as eligible non-significant dischargers as defined in § 10.1-2117 and as contained in subsection E.

B. The provision of grants for the design and installation of nutrient removal technology at those publicly owned treatment works included in subsection E shall be made upon certification that 75 percent of the local share of the cost of the construction, expansion, or upgrade has been expended. The distribution of the grants shall be effected by one of the following methods:

1. In one lump sum payment to be paid by the State Treasurer out of funds appropriated to the Water Quality Improvement Fund pursuant to § 10.1-2131;

2. Over a specified time through a contractual agreement entered into by the Treasury Board and approved by the Governor, on behalf of the Commonwealth, and the locality or public service authority undertaking the design and installation of nutrient removal technology, such payments to be paid by the State Treasurer out of funds appropriated to the Treasury Board; or

3. In one lump sum payment to be made by the Virginia Public Building Authority pursuant to §§ 2.2-2261, 2.2-2263, and 2.1-2264, including the Commonwealth's share of the interest costs expended by the locality or regional authority for financing such project during the period from 50 percent completion of construction to final completion of construction.

C. The General Assembly shall have the sole authority to determine whether reimbursement will be made pursuant to subdivision B 1, B 2, or B 3. The Department of Planning and Budget, after consulting with the Department of Environmental Quality and the Treasury Board, shall evaluate all proposed publicly owned treatment works projects and make recommendations to the Governor regarding the method of reimbursement for inclusion in the biennial budget.

D. Exclusive of any deposits made pursuant to § 10.1-2128, the grants awarded pursuant to this section shall include such appropriations as provided for in Chapter 951 of the Acts of Assembly of 2005; and Chapter 10 of the Acts of Assembly of 2006, Special Session I.

E. The \$500 million appropriated for the provision of grants to finance the costs of design and installation of nutrient removal technology at the following 89 publicly owned treatment works shall be provided pursuant to the distribution methodology included in § 10.1-2131. However, in no case shall any publicly owned treatment works receive a grant of less than 35 percent of the costs of the design and installation of nutrient removal technology.

FACILITY NAME

OWNER

Shenandoah - Potomac River Basin

ACSA-Fishersville STP

Augusta County Service Authority

Luray STP

Town of Luray

ACSA-Middle River Regional STP

Augusta County Service Authority

HRRSA-North River WWTF

Harrisonburg-Rockingham Regional  
Sewer Authority

ACSA-Stuarts Draft STP

Augusta County Service Authority

Waynesboro STP

City of Waynesboro

ACSA-Weyers Cave STP

Augusta County Service Authority

Berryville STP

Town of Berryville

Front Royal STP

Town of Front Royal

Mount Jackson STP

Town of Mount Jackson

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58	<i>New Market STP</i>	<i>Town of New Market</i>
59	<i>Shenandoah Co.-North</i>	
60	<i>Fork Regional WWTP</i>	<i>Shenandoah County</i>
61	<i>Stoney Creek Sanitary District STP</i>	<i>Stoney Creek Sanitary District</i>
62	<i>Strasburg STP</i>	<i>Town of Strasburg</i>
63	<i>Woodstock STP</i>	<i>Town of Woodstock</i>
64	<i>FWSA-Opequon Water</i>	
65	<i>Reclamation Facility</i>	<i>Frederick-Winchester Service</i>
66		<i>Authority</i>
67	<i>FWSA-Parkins Mill WWTF</i>	<i>Frederick-Winchester Service</i>
68		<i>Authority</i>
69	<i>Purcellville-Basham Simms WWTF</i>	<i>Town of Purcellville</i>
70	<i>LCSA-Broad Run WRF</i>	<i>Loudoun County Service Authority</i>
71	<i>Leesburg WPCF</i>	<i>Town of Leesburg</i>
72	<i>Round Hill WWTP</i>	<i>Town of Round Hill</i>
73	<i>PWCSA-H.L. Mooney WWTF</i>	<i>Prince William County Service</i>
74		<i>Authority</i>
75	<i>Upper Occoquan Sewage</i>	
76	<i>Authority WWTP</i>	<i>Upper Occoquan Sewage Authority</i>
77	<i>FCW&amp;SA-Vint Hill WWTF</i>	<i>Fauquier County Water and Sewer</i>
78		<i>Authority</i>
79	<i>Alexandria Sanitation</i>	<i>Alexandria Sanitation Authority</i>
80	<i>Authority WWTP</i>	
81	<i>Arlington Co. WPCF</i>	<i>Arlington County</i>
82	<i>Fairfax Co. - Noman-Cole Pollution</i>	
83	<i>Control Facility</i>	<i>Fairfax County</i>
84	<i>Stafford Co.-Aquia WWTP</i>	<i>Stafford County</i>
85	<i>Colonial Beach STP</i>	<i>Town of Colonial Beach</i>
86	<i>Dahlgren Sanitary District WWTP</i>	<i>King George County Service</i>
87		<i>Authority</i>
88	<i>Fairview Beach STP</i>	<i>King George County Service</i>
89		<i>Authority</i>
90	<i>Purkins Corner WWTP</i>	<i>King George County Service</i>
91		<i>Authority</i>
92	<i>District of Columbia - Blue</i>	
93	<i>Plains STP (Virginia portion)</i>	<i>Loudoun County Service Authority</i>
94		<i>and Fairfax County contract</i>
95		<i>for capacity</i>
96		
97	<i>Rappahannock River Basin</i>	
98		
99	<i>Culpeper WWTP</i>	<i>Town of Culpeper</i>
100	<i>Marshall WWTP</i>	<i>Town of Marshall</i>
101	<i>Mountain Run WWTP</i>	<i>Culpeper County</i>
102	<i>Orange STP</i>	<i>Town of Orange</i>
103	<i>Rapidan STP</i>	<i>Rapidan Service Authority</i>
104	<i>FCW&amp;SA-Remington WWTP</i>	<i>Fauquier County Water and</i>
105		<i>Sewer Authority</i>
106	<i>Warrenton STP</i>	<i>Town of Warrenton</i>
107	<i>Wilderness Shores WWTP</i>	<i>Rapidan Service Authority</i>
108	<i>Spotsylvania Co.-FMC WWTF</i>	<i>Spotsylvania County</i>
109	<i>Fredericksburg WWTF</i>	<i>City of Fredericksburg</i>
110	<i>Stafford Co.-Little Falls Run WWTF</i>	<i>Stafford County</i>
111	<i>Spotsylvania Co.-Massaponax WWTF</i>	<i>Spotsylvania County</i>
112	<i>Montross-Westmoreland WWTF</i>	<i>Westmoreland County</i>
113	<i>Oakland Park STP</i>	<i>King George County Service Authority</i>
114	<i>Tappahannock WWTP</i>	<i>Town of Tappahannock</i>

115	Urbanna WWTP	Hampton Roads Sanitation District
116	Warsaw STP	Town of Warsaw
117	Reedville Sanitary District WWTP	Reedville Sanitary District
118	Kilmarnock WWTP	Town of Kilmarnock
119		
120	York River Basin	
121		
122	Caroline Co. Regional STP	Caroline County
123	Gordonsville STP	Rapidan Service Authority
124	Ashland WWTP	Hanover County
125	Doswell WWTP	Hanover County
126	HRSD-York River STP	Hampton Roads Sanitation District
127	Parham Landing WWTP	New Kent County
128	Totopotomoy WWTP	Hanover County
129	HRSD-West Point STP	Hampton Roads Sanitation District
130	HRSD-Mathews Courthouse STP	Hampton Roads Sanitation District
131		
132	James River Basin	
133		
134	Buena Vista STP	City of Buena Vista
135	Clifton Forge STP	Town of Clifton Forge
136	Covington STP	City of Covington
137	Lexington-Rockbridge Regional WQCF	Maury Service Authority
138	Alleghany Co.-Low Moor STP	Alleghany County
139	Alleghany Co.-Lower Jackson	
140	River WWTP	Alleghany County
141	Amherst-Rutledge Creek WWTP	Town of Amherst
142	Lynchburg STP	City of Lynchburg
143	RWSA-Moores Creek Regional STP	Rivanna Water and Sewer Authority
144	Crewe WWTP	Town of Crewe
145	Farmville WWTP	Town of Farmville
146	Chesterfield Co.-Falling	Chesterfield County
147	Creek WWTP	
148	Henrico Co. WWTP	Henrico County
149	Hopewell Regional WWTF	City of Hopewell
150	Chesterfield Co.-Proctors	
151	Creek WWTP	Chesterfield County
152	Richmond WWTP	City of Richmond
153	South Central Wastewater	South Central Wastewater Authority
154	Authority WWTF	
155	Authority WWTF	
156	Chickahominy WWTP	New Kent County
157	HRSD-Boat Harbor STP	Hampton Roads Sanitation District
158	HRSD-James River STP	Hampton Roads Sanitation District
159	HRSD-Williamsburg STP	Hampton Roads Sanitation District
160	HRSD-Nansemond STP	Hampton Roads Sanitation District
161	HRSD-Army Base STP	Hampton Roads Sanitation District
162	HRSD-Virginia Initiative Plant STP	Hampton Roads Sanitation District
163	HRSD-Chesapeake/Elizabeth STP	Hampton Roads Sanitation District
164		
165	Eastern Shore Basin	
166		
167	Cape Charles WWTP	Town of Cape Charles
168	Onancock WWTP	Town of Onancock
169	Tangier Island WWTP	Town of Tangier
170	<i>F. To the extent that any publicly owned treatment works receives less than the grant specified</i>	

171 *pursuant to § 10.1-2131, any year-end revenue surplus or unappropriated balances deposited in the*  
172 *Water Quality Improvement Fund, as required by § 10.1-2128, shall be prioritized in order to augment*  
173 *the funding of those projects for which grants have been prorated. Any additional reimbursements to*  
174 *these prorated projects shall not exceed the total reimbursement amount due pursuant to the formula*  
175 *established in subsection E of § 10.1-2131.*

176 **2. That the Department of Environmental Quality shall identify and evaluate options to ensure the**  
177 **efficient use of any grants authorized by the Water Quality Improvement Act (§ 10.1-2128 et seq.).**  
178 **Any grant issued after October 1, 2007, shall include policies and guidelines governing the use of**  
179 **such grants that include the enforcement of appropriate cost control measures for the use of the**  
180 **grants. The Department shall work with representatives from local governments and the**  
181 **conservation community to evaluate the optimal use of existing and potential cost control**  
182 **measures, including but not limited to (i) evaluation of eligible and appropriate costs, (ii)**  
183 **applicability of the Virginia Public Procurement Act (§ 2.2-4300 et seq. of the Code of Virginia),**  
184 **(iii) voluntary nutrient credit trading, (iv) basing grant amounts on facility optimization using full**  
185 **life-cycle cost evaluation, (v) the ability to limit or exclude reimbursements based upon a**  
186 **comparison of costs to upgrade or build versus the purchase of credits, and (6) the ability to**  
187 **prioritize grant agreements based upon the river-basin optimization plans. Such policies and**  
188 **procedures shall be developed no later than October 1, 2007.**