

U00A0103
Department of the Environment – PAYGO

Pay-As-You-Go Capital Budget Summary

(\$ in Thousands)

	<i>FY 2005 Approp.</i>	<i>FY 2006 Approp.</i>	<i>FY 2007 Allowance</i>	<i>Percent Change</i>	<i>DLS Recommd.</i>
Water Quality Revolving Loan Fund	\$99,827	\$70,000	\$70,000	0%	\$70,000
Drinking Water Revolving Loan Fund	11,000	11,500	13,171	14.5%	13,171
Hazardous Substance Clean-up	1,500	1,500	500	-66.7%	0
Bay Restoration Fund – Wastewater	0	35,000	75,000	114.3%	75,000
Bay Restoration Fund – Septic Systems	0	250	500	100%	500
Total	\$112,327	\$118,250	\$159,171	34.6%	\$158,671

Fund Source					
General	\$0	\$0	\$8,324	100%	\$7,824
Special	63,527	63,883	116,353	82.1%	116,353
Federal	39,033	43,254	34,494	-20.3%	34,494
PAYGO Subtotal	\$102,560	\$107,137	\$159,171	48.6%	\$158,671
GO Bonds	9,767	11,113	0	-100%	0
Total	\$112,327	\$118,250	\$159,171	34.6%	\$158,671

Summary of Issues

Bay Restoration Fund Implementation Plunges Forward: The Bay Restoration Fund (BRF) was launched during the 2004 session to address the significant decline in Chesapeake Bay water quality due to overenrichment of nutrients such as phosphorus and nitrogen. This dedicated fund, financed primarily by wastewater treatment plant (WWTP) users, will be used to upgrade Maryland’s WWTPs with enhanced nutrient removal (ENR) technology so they are capable of achieving wastewater

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effluent quality of 3 mg/l total nitrogen and 0.3 mg/l total phosphorus. **The Maryland Department of the Environment (MDE) should be prepared to discuss whether the projected BRF revenues are sufficient to achieve the State’s ambitious ENR construction goal, the latest estimates of fiscal 2006 and 2007 BRF revenue, and the status of Department of Defense and Blue Plain WWTP participation.**

Septic System Program Still Under Development: Effective October 1, 2005, all counties were responsible for collecting fees from users of septic systems and on-site sewage disposal systems. The funds generated will be used to upgrade systems to the best available technology (BAT) nitrogen removal, with priority being given to failing systems in the critical areas. **MDE should be prepared to discuss how it is addressing Septic System Program implementation challenges associated with identifying local program implementers, determining BAT, and generating program interest.**

Summary of Recommended Actions

	<u>Funds</u>
1. Delete funding for the Hazardous Substance Clean-up Program.	\$ 500,000
Total Reductions	\$ 500,000

Overview

The Maryland Department of the Environment's (MDE) fiscal 2007 PAYGO allowance includes \$8.3 million in general funds, \$116.4 million in special funds, and \$34.5 million in federal funds. This represents a \$40.9 million, or 34.6% increase over fiscal 2006. This significant funding increase is largely due to \$40.3 million in new special fund revenue from the Bay Restoration Fund (BRF). This new fee revenue supports several water quality programs that seek to upgrade wastewater treatment plants, sewer infrastructure, and septic systems. For the first time since fiscal 2003, the allowance provides general funds for the Hazardous Substance Clean-up Program, which received general obligation bond funding in fiscal 2004 – 2006. The allowance provides level funding for the Water Quality Revolving Loan Fund, an additional \$1.7 million for the Drinking Water Revolving Loan Fund, with the required State matching funds for both loan programs returning to general funds. This shift back to general funds is consistent with the Spending Affordability Committee's recommendation to appropriate general funds for capital projects that would otherwise require the issuance of taxable bonds in order to reduce borrowing costs and provide for a more efficient capital program.

Exhibit 1 illustrates the administrative expenses associated with the two loan funds and BRF-supported programs discussed in this analysis. MDE includes salaries and fringe benefits, as well as non-salary expenses, in its direct expenses. Non-salary expenses include contractual services such as a financial advisor, a bond counsel, and accountant/auditor, as well as office supplies and materials, travel, training, and professional memberships. Indirect expenses are charged at approximately 24.3% of salary and fringe benefits for federal funds and at approximately 13.2% of all special fund expenses. The State is required to provide a 20% match on federal funds under both revolving loan funds. No State match is required for direct federal administrative expenses under Drinking Water Revolving Loan Fund.

**Exhibit 1
Consolidated Administrative Expenses**

	FY 2005 Actual	FY 2006 Estimated	FY 2007 Estimated
Sources			
Special Funds			
Water Quality Revolving Loan Fund	\$2,495,349	\$3,000,000	\$3,150,000
Drinking Water Revolving Loan Fund	163,530	172,000	180,600
Bay Restoration Fund – Wastewater	0	200,000	450,000
Bay Restoration Fund – Septic Systems	0	150,000	250,000
Subtotal – Special Funds	\$2,658,879	\$3,522,000	\$4,030,600
General Funds	0	0	
Federal Funds			
Water Quality Revolving Loan Fund	242,969	0	0
Drinking Water Revolving Loan Fund	277,369	290,000	304,500
Total Funds	\$520,338	\$290,000	\$304,500

Uses			
Direct Expenses	2,758,939	3,344,121	3,805,003
Indirect Expenses	420,278	467,879	530,097
Total Direct and Indirect Expenses	\$3,179,217	\$3,812,000	\$4,335,100

Source: Maryland Department of the Environment

Overview Issues

1. BRF Implementation Plunges Forward

Background

The Bay Restoration Fund (BRF) was launched during the 2004 session to address the significant decline in Chesapeake Bay water quality due to overenrichment of nutrients such as phosphorus and nitrogen. This dedicated fund, financed primarily by wastewater treatment plant (WWTP) users, is used to upgrade Maryland's WWTPs with enhanced nutrient removal (ENR) technology so they are capable of achieving wastewater effluent quality of 3 mg/l total nitrogen and 0.3 mg/l total phosphorus. WWTP effluent is one of the top three major contributors of nutrients entering the bay, the other two being urban and agricultural runoff. A similar fee paid by septic system users is being utilized to upgrade septic systems and plant cover crops.

Exhibit 2 describes the status of efforts to install Biological Nutrient Removal (BNR) and ENR technology at the 66 major WWTPs. BNR technology allows WWTPs to achieve wastewater effluent quality of 8 mg/l total nitrogen and 3 mg/l total phosphorus. As of January 2006, of the 66 major WWTPs, 68% are operating at the BNR level, one is operating at the ENR level, and 29% have completed the ENR planning stage.

Exhibit 2 Status of BNR and ENR Construction

	<u>BNR</u>	<u>ENR</u>
Pre-planning	0	18
Planning	2	29
Design	10	12
Construction	8	6
Under Operation	46	1
Total	66	66

Source: Maryland Department of the Environment

Implementation Issues

Implementation of the BRF has been a complex and challenging process. The BRF advisory committee convened seven times in 2005 to evaluate the cost, funding, and effectiveness of the WWTP upgrades; consult and advise the counties and the Maryland Department of the Environment (MDE) regarding the septic system upgrade program; and consider future changes to the BRF fees. Some key implementation issues that may merit attention are described below.

- **Insufficient Funding for ENR Upgrades by 2012?:** MDE advises that WWTP construction costs are coming in between 20 to 30% higher than original planning-level estimates due to the increasing cost of steel, energy, and concrete. Therefore, the estimated cost to upgrade the 66 major WWTPs with ENR has risen from \$750 million to closer to \$1 billion. The accuracy of MDE's cost estimates will increase as more projects reach the construction stage, as more costs will be based on actual construction bids.
- **BRF Revenue Levels Still Uncertain:** While over \$38.1 million, or 64% of the \$60.0 million in estimated fiscal 2006 wastewater BRF funds were collected by December 31, 2005, revenues are still uncertain. Furthermore, only \$2.5 million, or 28% of the \$9.0 million in estimated fiscal 2006 septic BRF funds were collected by December 31, 2005, and three large counties are not sending bills for this fee until July 2006.
- **Federal Government Participation Unclear:** Many federal facilities are paying the BRF fee as part of their regular water and sewer bills; however, some federal agencies perceive the BRF fee as a state tax and have refused to pay. Currently, the State is working with the Department of Defense (DoD) to develop a Memorandum of Understanding (MOU) that will provide a mechanism for DoD to contribute toward the BRF effort. MDE advises that under the terms of the current draft MOU, DoD will be spending more on upgrades to local and DoD wastewater facilities than it would have been assessed in BRF fees.
- **Delayed Schedule for Blue Plains WWTP:** Since Blue Plains WWTP is one of the three biggest WWTPs in the State, upgrading this plant with ENR would have a significant impact on overall nutrient loading into the Chesapeake Bay. MDE estimates that upgrading Blue Plains will require \$68.0 million in additional BNR funds and \$264.0 million in ENR funds, 30% of the total ENR funding for the 66 major WWTPs. However, the plant serves the District of Columbia and parts of Northern Virginia, as well as Maryland, and upgrade plans have been complicated by interstate negotiations on funding responsibility and timing. MDE estimates that ENR construction at Blue Plains will not begin until 2012 and will continue for several years.
- **Funding Gaps:** As illustrated in **Appendix 2**, MDE estimates that for the 66 major WWTPs, \$140.2 million will be required to complete BNR upgrades, and \$843.0 million will be required to install ENR technology. However, the current BNR five-year funding plan provides for only \$88.5 million, leaving a \$51.7 million funding gap. In addition, the current ENR five-year funding plan provides for only \$660.0 million, leaving a \$183.0 million funding gap. While MDE's goal is to implement BNR and ENR upgrades by 2012, funding gaps and major delays with Blue Plains present a substantial obstacle.

MDE should be prepared to discuss projected BRF revenues and the State's ambitious ENR construction goal, the latest estimates of fiscal 2006 and 2007 BRF revenue, and the status of DoD and Blue Plains WWTP participation.

Water Quality Revolving Loan Fund (Statewide)

PAYGO GF	\$5,534,000	Recommendation:	Approve
PAYGO SF	\$37,903,000		
PAYGO FF	\$26,563,000		

Program Description: The Water Quality Revolving Loan Fund (WQRLF) was created to provide low-interest loans to counties and municipalities to finance water quality improvement projects. The fund was established by the federal government in the Clean Water Act of 1987 and by the State of Maryland in Sections 9-204 and 9-1604 Environment Article to replace the federal construction grants program that was phased out. Projects eligible for funding include wastewater treatment plants, failing septic systems, and non-point source projects such as urban stormwater control projects. The federal act requires a 20% state match. As of June 30, 2005, WQRLF had executed approximately \$948 million in low interest loans.

WQRLF projects are prioritized based on an U.S. Environmental Protection Agency-approved Integrated Project Priority System. In accordance with this system, projects meeting the minimum requirements are rated and ranked based on criteria including proposed project benefits and water quality improvement. The second priority-ranking phase uses the requirements in Environment Article 9-345 and 9-348 and COMAR 26.03.08 that outline specific criteria for considering among other things the severity of water quality problems, readiness to proceed, cost effectiveness of nitrogen reduction, and expenditure rates. The resulting scores are used to prioritize projects.

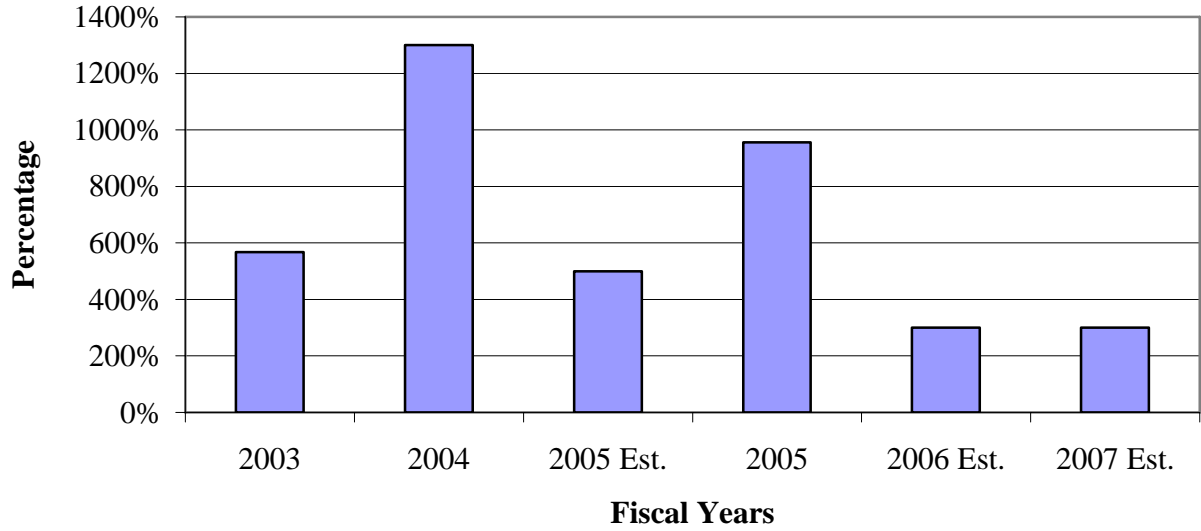
Year Program Began: 1989

Comments: WQRLF's fiscal 2007 allowance totals \$70.0 million and is comprised of \$5.5 million in PAYGO general funds, \$37.9 million in PAYGO special funds, and \$26.6 million in PAYGO federal funds. The \$5.5 million in general funds represents the required State match for the federal funds. The 2006 CIP assumes that general funds will be provided in future years to meet State matching requirements. If the federal funding level changes in the future, the general fund matching amount will require adjustment. A total of 18 projects would be funded during fiscal 2007 in the following jurisdictions: Allegany (6), Baltimore City (6), Cecil (3), Frederick (1), St. Mary's (1), and Wicomico (1). These projects would involve upgrading WWTPs and implementing sewer system improvements.

Program Performance Analysis: As illustrated in **Exhibit 3**, sewer overflows remain a significant problem. In spite of ambitious fiscal 2005 improvement estimates, fiscal 2005 overflows exceeded 2001 levels by over 950%.

MDE should be prepared to discuss why the State did not achieve estimated levels in fiscal 2005, and why even more aggressive goals have been set for fiscal 2006 and 2007.

Exhibit 3
Percent Change in Gallons of Sewer Overflow Since 2001



Source: Fiscal 2006 and 2007 Budget Books

Water Quality Revolving Loan (Statewide) Fund Data

Fund History

	<i>FY 2005 Actual</i>	<i>FY 2006 Estimated*</i>	<i>FY 2007 Estimated</i>
Beginning Balance	\$81,679,780	\$43,649,912	\$2,035,854
Revenue			
General Funds			5,534,000
GO Bonds	6,407,000	7,618,000	
Federal Funds	32,033,925	38,090,942	**27,669,526
Investment and Other Income	9,466,555	10,000,000	10,000,000
Loan Repayments and Interest	46,889,741	50,000,000	50,000,000
Total Revenue	94,797,221	105,708,942	93,203,526
Total Available	\$176,477,001	\$149,358,854	\$95,239,380
Encumbrances			
Loans	115,780,428	***130,323,000	70,000,000
Debt Service	14,308,343	14,000,000	15,000,000
Operating Expenses	2,738,318	3,000,000	3,150,000
Total Encumbrances	\$132,827,089	\$147,323,000	\$88,150,000
Ending Balance	\$43,649,912	\$2,035,854	\$7,089,380

* Starting in fiscal 2006, State matching funds are being applied to project loans and the 4% in operating costs are being paid for with federal funds.

** Total fiscal 2007 federal funds include up to \$1,106,781 for operating expenses and \$26,562,745 for loans.

*** Includes pending fiscal 2006 \$35.0 million special fund budget amendment.

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(\$ in Millions)

<i>Description</i>	<i>2005 Approp.</i>	<i>2006 Approp.</i>	<i>2007 Request</i>	<i>2008 Estimate</i>	<i>2009 Estimate</i>	<i>2010 Estimate</i>	<i>2011 Estimate</i>
PAYGO GF	\$0.000	\$0.000	\$5.534	\$5.500	\$5.500	\$5.500	\$5.500
PAYGO SF	60.840	25.814	37.903	38.000	38.000	38.000	38.000
PAYGO FF	32.580	36.568	26.563	26.500	26.500	26.500	26.500
GO Bonds	6.407	7.618	0.000	0.000	0.000	0.000	0.000
Total	\$99.827	\$70.000	\$70.000	\$70.000	\$70.000	\$70.000	\$70.000

Recommended Actions

1. Concur with Governor's allowance.

Fiscal 2007 Proposed Projects

<u>County</u>	<u>Project Title</u>	<u>Fiscal 2007 Amount</u>	<u>Project Status</u>
Allegany	Bedford Road Sanitary Sewer	\$200,000	Design
Allegany	Cumberland Combined Sewer Overflow	2,000,000	Design
Allegany	Eckhart Sanitary Sewer Evaluation	325,000	Planning
Allegany	Frostburg Combined Sewer Overflow Elimination Project	1,000,000	Design
Allegany	Grahamtown Sanitary Sewer Rehabilitation	1,000,000	Design
Allegany	Jennings Run Sanitary Sewer Evaluation	450,000	Planning
Baltimore City	Jones Falls Pumping Station Upgrade	3,842,784	Design
Baltimore City	Jones Falls Pumping Station Force Main/Pressure Sewer	14,410,440	Design
Baltimore City	Maiden Choice Interceptor Improvements	5,544,000	Under Construction
Baltimore City	Stoney Run Interceptor Phase I – Upper Section	6,710,885	Design
Baltimore	Jones Falls Pumping Station (cost share)	6,717,216	Design
Baltimore	Maiden Choice Interceptor (cost share)	2,047,325	Under Construction
Cecil	Carpenters Points Sanitary Sewer System Phase II	1,600,000	Design
Cecil	Perryville BNR Upgrade & Expansion	6,000,000	Design
Cecil	Port Deposit New WWTP & Sewer Collection	4,000,000	Design
Frederick	Frederick WWTP ENR Upgrade	2,000,000	Design
St. Mary's	Patuxent Park Sewer Line Repair/Replacement	289,000	Design
Wicomico	Salisbury WWTP BNR/ENR Upgrade (phased funding)	11,863,350	Under Construction
	Total	\$70,000,000	

Note: The project list is subject to change.

Analysis of the FY 2007 Maryland Executive Budget, 2006

Fiscal 2006 Project Status

<u>County</u>	<u>Project Title</u>	<u>Prior Year Appropriations</u>	<u>Fiscal 2006 Appropriation</u>	<u>Fiscal 2006 Pending Amendment</u>	<u>Total</u>	<u>Project Status</u>
Allegany	Frostburg Combined Sewer Overflow	\$0	\$1,000,000	\$0	\$1,000,000	Design
Allegany	Celenese WWTP BNR/ENR	430,449	0	369,551	800,000	Complete
Baltimore	Upper Jones Falls Interceptor (Phases I&II) & Force Main	0	6,360,138	16,098,944	22,459,082	Under Construction
Baltimore City	Gwynns Run Interceptor Sewer	0	26,356,850	0	26,356,850	Under Construction
Baltimore City	Back River Gravity Sludge Thickner	6,640,260	0	0	6,640,260	Under Construction
Calvert	Calvert Co. Headworks/Outfall Replacement (cost share)	0	500,000	0	500,000	Design
Calvert	Chesapeake Beach Headworks/Outfall (cost share)	0	700,000	0	700,000	Design
Calvert	North Beach Headworks/Outfall (cost share)	0	400,000	0	400,000	Design
Frederick	Reichs Ford Landfill Lining and Capping	0	0	7,280,505	7,280,505	Under Construction
Howard	Patapsco WWTP Upgrades (Cost Share)	0	0	2,751,000	2,751,000	Complete
Queen Anne's	Kent Narrows WWTP BNR/ENR Upgrade	18,252,291	0	0	18,252,291	Under Construction
Talbot	St. Michaels Region II Sewer Collection Improvements	0	2,000,000	0	2,000,000	Bids Open
Talbot	St. Michaels WWTP BNR/ENR Upgrade & Expansion	0	0	8,500,000	8,500,000	Under Construction
Washington	Funkstown Wastewater Treatment Plant	0	1,683,012	0	1,683,012	Design
Wicomico	Salisbury WWTP BNR/ENR Upgrade (phased funding)	0	31,000,000	0	31,000,000	Under Construction
	Total	\$25,323,000	\$70,000,000	\$35,000,000	\$130,323,000	

Note: The project list is subject to change.

Drinking Water Revolving Loan Fund (Statewide)

PAYGO GF	\$2,290,000	Recommendation:	Approve
PAYGO SF	\$2,950,000		
PAYGO FF	\$7,931,000		

Program Description: The Drinking Water Revolving Loan Fund (DWRLF) was established in accordance with a federal capitalization grant approved by Congress in 1996 in anticipation of future federal capitalization grants. This program was authorized by the General Assembly in 1993 to provide loans to counties and municipalities to finance water supply improvements and upgrades. In accordance with the federal legislation, these funds may also be loaned to private parties. The federal act requires that a minimum of 20% of State matching funds for each year's federal capitalization grant be deposited into the fund. As of June 30, 2005, this program had executed approximately \$79 million in low interest loans.

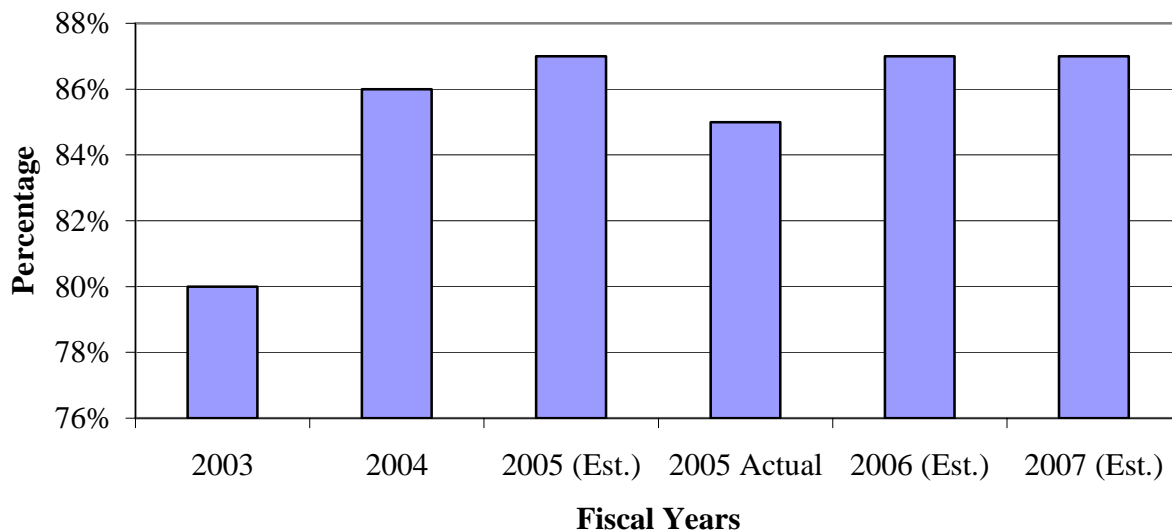
Similar to the Water Quality Revolving Loan Fund, DWRLF projects are prioritized based on an U.S. Environmental Protection Agency-approved priority ranking system that focuses on many criteria, the most important being public health benefit.

Year Program Began: 1996

Comments: The fiscal 2007 DWRLF allowance totals \$13.2 million and is comprised of \$2.3 million in PAYGO general funds, \$3.0 million in PAYGO special funds, and \$7.9 million in PAYGO federal funds. A total of 12 projects would be funded during fiscal 2007, which would improve water services for approximately 728,938 households in eight different jurisdictions (Baltimore City and Allegany, Baltimore, Caroline, Cecil, St. Mary's, Talbot, and Wicomico counties). The allowance is based on \$850 million in anticipated federal funds to capitalize water supply revolving loan funds throughout the United States. Maryland's share of this national amount is estimated at \$11.5 million, requiring a \$2.3 million State match.

Program Performance Analysis: As illustrated in **Exhibit 4**, some progress is anticipated in fiscal 2006 and 2007 toward ensuring Maryland's water systems are safe and adequate. However, 87% compliance was estimated for fiscal 2005 and did not occur. **The Maryland Department of the Environment should be prepared to discuss the reasons why this program anticipates a 2% increase in the percentage of public systems in significant compliance between fiscal 2005 and 2006.**

Exhibit 4
Percent of Public Water Systems in Significant Compliance
with State and Federal Regulations



Source: Fiscal 2006 and 2007 Budget Books

Drinking Water Revolving Loan Fund Data (Statewide)

Fund History

	<i>FY 2005 Actual</i>	<i>FY 2006 Estimated</i>	<i>FY 2007 Estimated</i>
Beginning Balance	\$17,223,789	\$16,343,360	\$12,935,195
Revenue			
General Funds			2,290,000
GO Bonds	1,860,000	1,995,000	0
Federal Funds	6,652,911	6,638,835	7,930,308
Investments and Other Income	710,524	770,000	770,000
Loan Repayments and Interest	3,446,913	3,650,000	3,850,000
Total Revenue	12,670,348	13,053,835	14,840,308
Total Available	\$29,894,137	\$29,397,195	\$27,775,503
Encumbrances			
Loans	13,109,878	16,000,000	13,171,000
Operating Expenses	440,899	462,000	485,100
Total Encumbrances	\$13,550,777	\$16,462,000	\$13,656,100
Ending Balance	\$16,343,360	\$12,935,195	\$14,119,403

(\$ in Millions)

<i>Description</i>	<i>2005 Approp.</i>	<i>2006 Approp.</i>	<i>2007 Request</i>	<i>2008 Estimate</i>	<i>2009 Estimate</i>	<i>2010 Estimate</i>	<i>2011 Estimate</i>
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PAYGO GF	\$0.000	\$0.000	\$2.290	\$2.300	\$2.300	\$2.300	\$2.300
PAYGO SF	2.687	2.819	2.950	3.279	3.279	3.279	3.279
PAYGO FF	6.453	6.686	7.931	7.931	7.931	7.931	7.931
GO Bonds	1.860	1.995	0.000	0.000	0.000	0.000	0.000
Total	\$11.000	\$11.500	\$13.171	\$13.510	\$13.510	\$13.510	\$13.510

Analysis of the FY 2007 Maryland Executive Budget, 2006

Recommended Actions

1. Concur with Governor's allowance.

Fiscal 2007 Proposed Projects

<u>County</u>	<u>Project Title</u>	<u>Fiscal 2007 Amount</u>	<u>Project Status</u>
Allegany	Clarysville Water Project	\$525,000	Design
Baltimore City	Montebello Filters and Chemical System Improvements	988,416	Bids Open
Baltimore	Montebello Filters and Chemical System (cost share)	1,545,984	Bids Open
Caroline	Federalsburg Elevated Water Storage Tank	370,920	Design
Cecil	Perryville Water Filtration Plant Upgrade (phased funding)	3,500,000	Design
Cecil	Port Deposit Existing Water Supply Upgrades	904,815	Design
Cecil	Williams Mobile Home New Well	30,000	Design
St. Mary's	Lexington Park Arsenic Removal	850,000	Design
St. Mary's	Piney Point Water Line Replacement	188,000	Design
Talbot	Martingham Arsenic Removal System	380,000	Design
Talbot	St. Michael's Arsenic & Well Construction	1,634,000	Design
Wicomico	Fruitland Elevated Water Tank	2,253,865	Design
	Total	\$13,171,000	

Note: The project list is subject to change.

Fiscal 2006 Project Status

<u>County</u>	<u>Project Title</u>	<u>Prior Appropriation</u>	<u>Fiscal 2006 Appropriation</u>	<u>Total Fiscal 2006 Amount</u>	<u>Project Status</u>
Allegany	Lonaconing Water Improvements - Phase IV & V	\$1,100,000		\$1,100,000	Bids Open
Anne Arundel	Herald Harbor Water Treatment Plant Upgrade	2,000,000		2,000,000	Under Construction
Calvert	Chesapeake Water Association- Patapsco Well & Pump		\$450,000	450,000	Design
Calvert	Lusby Town Center Water System	1,150,000		1,150,000	Under Construction
Carroll	New Windsor Water System Upgrade		800,000	800,000	Under Construction
Cecil	North East Water Filtration System Improvements		1,000,000	1,000,000	Design
Cecil	Perryville Water Filtration Plant Upgrade		4,050,000	4,050,000	Design
Garrett	Bloomington Water System		680,000	680,000	Design
Garrett	Crellin Water System		400,000	400,000	Design
Garrett	Mountain Lake Park Public Water System		1,000,000	1,000,000	Design
Garrett	Oakland Memorial Drive Water Extension		320,000	320,000	Design
Somerset	Johnson Creek Water Line		482,000	482,000	Under Construction
Washington	Boonsboro Route 40 Water Extension	250,000	50,000	300,000	Design
Washington	Hagerstown West End Storage Tank - Phase I		2,268,000	2,268,000	Design
	Total	\$4,500,000	\$11,500,000	\$16,000,000	

Note: The project list is subject to change.

Hazardous Substance Clean-up Program (Statewide)

PAYGO GF

\$500,000

Recommendation: Disapprove

Program Description: The Hazardous Substance Clean-up Program provides funds for cleaning up uncontrolled sites listed on the federal National Priorities List (Superfund) and other uncontrolled waste sites within the State that do not qualify for federal funding through the Superfund program. Remediation costs are shared by the federal (90%) and state (10%) governments for federal Superfund “orphan” sites. Orphan sites are those that lack a financially viable responsible party to pay for the cleanup. However, the State provides up to 100% of the costs for the projects not included on the National Priorities List and seeks cost recovery when possible from responsible parties. At orphan sites, the State also provides 100% of the cost of the preliminary site assessment.

Year Program Began: 1996

Comments: The fiscal 2007 allowance of \$500,000 in general funds would be used for site assessments (\$100,000) and the following three projects:

Mill Creek Perchlorate Contamination (\$200,000) – Domestic wells near Elkton have been contaminated with perchlorates, creating a public health hazard, and requiring local businesses and residences to use bottled water until this project is completed. The fiscal 2007 allowance provides funding to complete the investigation and develop an alternative water source for the affected area.

Harundale Well Field (\$100,000) – The Harundale and Glendale well fields, which serve as community water supplies for sections of Anne Arundel County, have been impacted by a commonly used chlorinated solvent from an unidentified source. This phase of the project would define the extent of the hazard and identify the degree of clean-up required.

Springfield Hospital (\$100,000) – This project would investigate a tetrachloroethylene contamination in a Carroll County well field located on the Springfield Hospital campus.

The 2006 Capital Improvement Program (CIP) assumes that program funding will increase to \$1.0 million in general funds in fiscal 2008 and stay at that level through 2012. The 2005 CIP projected that the program would receive \$1.7 million in general obligation bond funds during the fiscal 2007 – 2010 period. The fiscal 2007 allowance is less than previously estimated due to fiscal 2006 project delays.

Hazardous Substance Clean-up Program Fund Data

Prior Program Activity – All Fund Sources
(\$ in Millions)

	<i>FY 2002</i>	<i>FY 2003</i>	<i>FY 2004</i>	<i>FY 2005</i>	<i>FY 2006*</i>
Encumbrances	\$0.607	\$1.318	\$0.949	\$0.428	\$0.379
Expenditures	\$0.417	\$0.954	\$0.857	\$0.164	\$0.107

*As of 11/2005

Authorization Summary
(\$ in Millions)*

		Funds		Balances	
Fiscal Year	<i>Authorization</i>	<i>Encumbered</i>	<i>Expended</i>	<i>To Be Encumbered</i>	<i>To Be Expended</i>
Prior Years	\$5.030	\$5.030	\$5.030	\$0.000	\$0.000
2002	0.750	0.695	0.669	0.055	0.081
2003	0.550	0.525	0.518	0.025	0.032
2004	0.550	0.550	0.215	0.000	0.335
2005	1.500	0.675	0.059	0.825	1.441
2006	1.500	0.379	0.000	1.121	1.500
Total	\$9.880	\$7.854	\$6.491	\$2.026	\$3.389

(\$ in Millions)

<i>Description</i>	<i>2005 Approp.</i>	<i>2006 Approp.</i>	<i>2007 Request</i>	<i>2008 Estimate</i>	<i>2009 Estimate</i>	<i>2010 Estimate</i>	<i>2011 Estimate</i>
PAYGO GF	\$0.000	\$0.000	\$0.500	\$1.000	\$1.000	\$1.000	\$1.000
GO Bonds	1.500	1.500	0.000	0.000	0.000	0.000	0.000
Total	\$1.500	\$1.500	\$0.500	\$1.000	\$1.000	\$1.000	\$1.000

Recommended Actions

	<u>Amount Reduction</u>
1. Delete funding for the Hazardous Substance Clean-up Program. Two fiscal 2006 projects representing approximately \$1.0 million are not likely to proceed. These funds and other prior year program fund balances may be applied to proposed fiscal 2007 projects.	\$ 500,000 GF
Total General Fund Reductions	\$ 500,000

Fiscal 2007 Proposed Hazardous Substance Clean-up Projects

<u>County</u>	<u>Project Title</u>	<u>Est. Cost</u>	<u>Prior Auth.</u>	<u>FY 2007 Amount</u>	<u>Future</u>	<u>Total State</u>
Anne Arundel	Harundale Well Field	\$100,000	\$0	\$100,000	\$0	100
Carroll	Springfield Hospital	100,000	0	100,000	0	100
Cecil	Mill Creek Perchlorate Contamination	900,000	700,000	200,000	0	100
Statewide	Site Assessments	686,759	86,759	100,000	500,000	100
Total		\$1,786,759	\$786,759	\$500,000	\$500,000	

Fiscal 2006 Hazardous Substance Clean-up Projects

<u>Project (Location)</u>	<u>Status</u>
Environmental Restoration of the Sauer Dump Site (Baltimore County)	The U.S. EPA has assumed the investigation and is likely to finish the cleanup. Funds will be reprogrammed.
Chemical Metals Site Restoration (Baltimore City)	MDE plans to encumber \$500,000 for this site after approval is granted at the February 15, 2006 Board of Public Works meeting. MDE anticipates work beginning in May 2006.
Environmental Restoration of the Mill Creek Perchlorate Contamination (Cecil County)	On hold because a Responsible Party (RP) may have been found and a RP determination must be made.
Southern Maryland Wood Treating Site Restoration (St. Mary's County)	The final payment (\$636,570) will be processed pending approval at the February 1, 2006 Board of Public Works meeting.

Bay Restoration Fund – Wastewater Projects (Statewide)

PAYGO SF **\$75,000,000** **Recommendation: Approve**

Program Description: The Bay Restoration Fund (Chapter 428, Acts of 2004) was created to address the significant decline in Chesapeake Bay water quality due to overenrichment of nutrients such as phosphorus and nitrogen. This dedicated fund, financed in large part by wastewater treatment plant (WWTP) users, will be used to upgrade Maryland’s WWTPs with enhanced nutrient removal (ENR) technology so they are capable of achieving wastewater effluent quality of 3 mg/l total nitrogen and 0.3 mg/l total phosphorus. Revenue from this fund will also support upgrades to sewer infrastructure and septic systems.

This program incorporates the two BRF supported programs described below.

- ***Enhanced Nutrient Removal (\$70,000,000)*** – This program provides grants to local governments to institute ENR technology at the 66 largest WWTPs in Maryland. Upgrading these WWTPs will reduce nitrogen loading to the Chesapeake Bay and its tributaries by an additional 7.5 million pounds per year, representing approximately one-third of the additional reduction needed for Maryland to reach its commitment under the 2000 Chesapeake Bay Agreement.
- ***Sewer Rehabilitation (\$5,000,000)*** – The goal of this program is to ensure a safe and adequate sewer infrastructure, as required by the Clean Water Act. The program provides 100% grants to local governments to correct combined sewer overflow (CSO) problems, rehabilitate existing sewers, correct excessive inflow/infiltration problems, and upgrade pumping stations. This program will help WWTPs operate more efficiently by regulating the flow of water sent to these plants during periods of rain and effectively prevent overflows of untreated sewage.

Year Program Began: 2004

Comments: The fiscal 2007 allowance of \$75.0 million in special funds would be used for the following purposes:

- \$70.0 million to construct ENR upgrades at 15 major WWTPs in 10 jurisdictions and two regional facilities (Anne Arundel, Caroline, Cecil, Charles, Frederick, Kent, Montgomery, St. Mary’s, Wicomico, Worcester, and Baltimore City/County) that serve over one million residences throughout the State;
- \$2.9 million to abate four CSOs in Allegany and Talbot county; and

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- \$2.1 million for sanitary sewer rehabilitation projects in five jurisdictions (Baltimore City and Caroline, Cecil, Dorchester, and Frederick counties).

Program Performance Analysis: The Maryland Department of the Environment (MDE) has several performance measures that track the impact of its efforts to reduce point-source nutrient loading problems in the Chesapeake Bay and its tidal tributaries. However, MDE does not have a measure that tracks the specific estimated reductions associated with this substantial capital budget program. Instead, MDE's performance measures simply track the number of ENR projects and associated funding. MDE should include a measure in future performance plans that tracks the impact this program has on the States overall level of point-source nutrient pollution.

Bay Restoration Fund – Wastewater Projects Fund Data

(\$ in Millions)

<i>Description</i>	<i>2005 Approp.</i>	<i>2006 Approp.</i>	<i>2007 Request</i>	<i>2008 Estimate</i>	<i>2009 Estimate</i>	<i>2010 Estimate</i>	<i>2011 Estimate</i>
PAYGO SF	\$0.000	\$35.000	\$75.000	\$35.000	\$112.000	\$49.000	\$51.000
Revenue Bonds	0.000	0.000	0.000	50.000	130.000	130.000	\$160.000
Total	\$0.000	\$53.000	\$75.000	\$85.000	\$242.000	\$179.000	\$211.000

Recommended Actions

1. Concur with Governor’s allowance.

Fiscal 2007 Proposed Enhanced Nutrient Removal Projects

<u>County</u>	<u>Project Title</u>	<u>Fiscal 2007 Amount</u>	<u>Project Status</u>
Anne Arundel	Cox Creek Enhanced Nutrient Removal	\$11,845,000	Planning
Caroline	Federalsburg Enhanced Nutrient Removal	2,000,000	Design
Cecil	Elkton Enhanced Nutrient Removal	3,600,000	Design
Cecil	Perryville Enhanced Nutrient Removal	3,355,000	Design
Charles	Indian Head Enhanced Nutrient Removal	2,500,000	Bids Open
Frederick	Brunswick Enhanced Nutrient Removal	1,400,000	Design
Frederick	Frederick Enhanced Nutrient Removal	9,800,000	Design
Kent	Chestertown Enhanced Nutrient Removal	1,800,000	Bids Open
Montgomery	Seneca Enhanced Nutrient Removal	1,000,000	Planning
Montgomery	Western Branch Enhanced Nutrient Removal	9,500,000	Planning
St. Mary's	Leonardtwn Enhanced Nutrient Removal	4,200,000	Planning
Wicomico	Delmar Enhanced Nutrient Removal	200,000	Design
Worcester	Snow Hill Enhanced Nutrient Removal	800,000	Planning
Regional	Back River Enhanced Nutrient Removal	10,000,000	Planning
Regional	Patapsco Enhanced Nutrient Removal	8,000,000	Design
	Total	\$70,000,000	

Note: Project list subject to change.

Fiscal 2006 Enhanced Nutrient Removal Projects

<u>County</u>	<u>Project Title</u>	<u>Fiscal 2006 Amount</u>	<u>Project Status</u>
Allegany	Celanese ENR	\$2,500,000	Complete
Caroline	Federalsburg Enhanced Nutrient Removal	360,000	Design
Cecil	Elkton Enhanced Nutrient Removal	0	Design
Cecil	Perryville Enhanced Nutrient Removal	0	Design
Charles	Indian Head Enhanced Nutrient Removal	1,456,000	Bids Open
Dorchester	Cambridge ENR Planning	100,000	Planning
Dorchester	Hurlock ENR	1,000,000	Under Construction
Frederick	Brunswick Enhanced Nutrient Removal	0	Design
Frederick	Frederick Enhanced Nutrient Removal	0	Design
Kent	Chestertown Enhanced Nutrient Removal	200,000	Bids Open
Montgomery	Seneca Enhanced Nutrient Removal	0	Planning
Montgomery	Western Branch Enhanced Nutrient Removal	0	Planning
Queen Anne's	Kent Island ENR	6,493,000	Under Construction
Somerset	Crisfield ENR	4,231,000	Under Construction
Talbot	Easton ENR	8,660,000	Under Construction
Talbot	St. Michaels Enhanced Nutrient Removal	2,000,000	Under Construction
Wicomico	Delmar Enhanced Nutrient Removal	0	Design
Wicomico	Salisbury ENR	3,000,000	Under Construction
Worcester	Snow Hill Enhanced Nutrient Removal	0	Planning
	Total	\$30,000,000	

Note: Project list subject to change.

Fiscal 2007 Proposed Sewer Rehabilitation Projects

<u>County</u>	<u>Project Title</u>	<u>Fiscal 2007 Amount</u>	<u>Project Status</u>
Allegany	Cumberland Combined Sewer Overflow	\$1,300,000	Design
Allegany	Frostburg Combined Sewer Overflow Elimination Project	300,000	Design
Allegany	Westernport Combined Sewer Overflow	800,000	Design
Baltimore City	Baltimore City Sanitary Sewer Overflow	1,300,000	Construction
Caroline	Lockerman Street Lift Station	100,000	Construction
Cecil	Port Deposit New WWTP & Sewer Collection System	200,000	Construction
Dorchester	Secretary I/I Reduction Phase 2	200,000	Construction
Frederick	Emmitsburg Sewer Rehab	300,000	Construction
Talbot	St. Michaels Region II Sewer Collection System Improvements	500,000	Bids Open
	Total	\$5,000,000	

Note: Project list is subject to change.

Fiscal 2006 Sewer Rehabilitation Projects

<u>County</u>	<u>Project Title</u>	<u>Fiscal 2006 Amount</u>	<u>Project Status</u>
Allegany	Cumberland Combined Sewer Overflow	\$800,000	Design
Allegany	Frostburg Combined Sewer Overflow Elimination Project	800,000	Design
Allegany	Westernport Combined Sewer Overflow	800,000	Design
Baltimore City	Baltimore City Sanitary Sewer Overflow	1,575,000	Construction
St. Mary's	Piney Point/Evergreen Park Inflow/Infiltration	325,000	Design
Talbot	St. Michaels Region II Sewer Collection System Improvements	500,000	Bids Open
Washington	Halfway Inflow/Infiltration Rehabilitation	200,000	Design
	Total	\$5,000,000	

Issues

1. Septic System Program Still Under Development

Effective October 1, 2005, all counties were responsible for collecting fees from users of septic systems and on-site sewage disposal systems. The funds generated will be used to upgrade systems to the best available technology nitrogen removal, with priority being given to failing systems in the critical areas. The State and most local jurisdictions are still developing complete and current lists of septic system and holding tanks users that do not receive a water or sewer bill. In January 2005, the BRF advisory committee developed several models and subsequently made recommendations to each county on the best methods for collecting the fee from septic system users. Over the past eight months, many jurisdictions have developed preliminary lists and sent out bills.

Some Septic System Program implementation issues that merit attention are summarized below.

- ***Deferred Billing Schedule*** – While many counties have begun to collect septic fee revenue, several large jurisdictions (Anne Arundel, Baltimore, and Montgomery counties) do not intend to bill until July 2006. In effect, the fiscal 2006 septic fee revenue will not be collected until the beginning of fiscal 2007. MDE advises that while septic revenues may be lower in fiscal 2006 (estimated \$6.0 million) and higher in fiscal 2007 (estimated \$14.0 million), revenue will even out to \$12.0 million annually in fiscal 2008 and subsequent years.
- ***Identifying Local Program Implementers*** – MDE intends to implement this program through local government entities, academic institutions, and nonprofit agencies. However, there may be limited incentive or means for these entities to assume this new responsibility. MDE plans to release a request for proposals (RFP) for potential partners soon. The response to this RFP will provide a good indication of program interest.
- ***Identifying Best Available Technology (BAT) for Nutrient Removal*** – To date, MDE has not identified BAT for upgrading septic systems, and, therefore, there is no current list of technologies eligible for BRF funding. A subcommittee has been formed to address this issue.
- ***Generating Program Interest*** – While MDE recently developed a program brochure and pre-application form for interested parties, significant outreach is still needed and the level of public interest in the program is uncertain.

MDE should be prepared to discuss how it is addressing Septic System Program implementation challenges associated with identifying local program implementers, determining BAT, and generating program interest.

Recommended Actions

1. Concur with Governor's allowance.

Fiscal 2007 Proposed Projects

An estimated 60 projects, to be determined.

Fiscal 2006 Projects

An estimated 30 projects, to be determined.

Fiscal Summary
Department of the Environment PAYGO

<u>Program/Unit</u>	<u>FY05 Actual</u>	<u>FY06 Wrk Approp</u>	<u>FY07 Allowance</u>	<u>Change</u>	<u>FY06 - FY07 % Change</u>
03 Capital Appropriation - Water Quality	\$ 99,827,000	\$ 70,000,000	\$ 70,000,000	\$ 0	0%
04 Capital Appropriation - Hazardous Substance Clean-	0	0	500,000	500,000	
05 Capital Appropriation - Drinking Water	11,000,000	11,500,000	13,171,000	1,671,000	14.5%
11 Bay Restoration Fund - Wastewater Projects	0	35,000,000	75,000,000	40,000,000	114.3%
12 Bay Restoration Fund - Septic System Projects	0	250,000	500,000	250,000	100.0%
Total Expenditures	\$ 110,827,000	\$ 116,750,000	\$ 159,171,000	\$ 42,421,000	36.3%
General Fund	\$ 0	\$ 0	\$ 8,324,000	\$ 8,324,000	N/A
Special Fund	63,527,000	63,883,000	116,353,255	52,470,255	82.1%
Federal Fund	39,033,000	43,254,000	34,493,745	-8,760,255	-20.3%
Total Appropriations	\$ 102,560,000	\$ 107,137,000	\$ 159,171,000	\$ 52,034,000	48.6%
Reimbursable Fund	\$ 8,267,000	\$ 9,613,000	\$ 0	-\$ 9,613,000	-100.0%
Total Funds	\$ 110,827,000	\$ 116,750,000	\$ 159,171,000	\$ 42,421,000	36.3%

Note: The fiscal 2006 appropriation does not include deficiencies, and the fiscal 2007 allowance does not reflect contingent reductions.

**66 Major Wastewater Treatment Plants
Fiscal 2007 Updated BNR and ENR Status and Budget**

Major WWTP	ENR Status	BNR Status	Est. Total Cost	Estimated State BNR Share			Estimated State ENR Share			Other
				Total BNR	Encumbered	Future Enc.	Total ENR	Encumbered	Future Enc.	
Easton	Construction	Construction	\$38,914,000	\$9,730,000	\$8,930,000	\$800,000	\$ 8,660,000	\$8,660,000	-	\$20,524,000
Kent Island	Construction	Construction	34,019,000	8,526,000	8,526,000	-	6,493,000	6,493,000	-	19,000,000
Hurlock	Construction	Construction	7,285,000	2,300,000	2,300,000	-	1,000,000	1,000,000	-	3,985,000
Crisfield	Construction	Construction	10,688,000	2,026,000	2,026,000	-	4,231,000	4,231,000	-	4,431,000
Salisbury	Construction	Construction	81,658,000	22,817,000	10,907,000	11,910,000	3,000,000	3,000,000	-	55,841,000
Talbot County Region II (St. Michael's)	Construction	Construction	13,747,000	2,747,000	2,747,000	-	2,000,000	2,000,000	-	9,000,000
Chestertown	Design	Design	10,566,000	2,470,000	2,470,000	-	2,000,000	2,000,000	-	6,096,000
Delmar	Design	Design	7,713,000	1,000,000	843,000	157,000	3,135,000	-	\$3,135,000	3,578,000
Elkton	Design	Design	27,530,000	8,098,000	900,000	7,198,000	5,767,000	-	5,767,000	13,665,000
Federalsburg	Design	Design	5,173,000	992,000	450,000	542,000	2,273,000	-	2,273,000	1,908,000
Brunswick	Design	Design	10,398,000	2,750,000	2,750,000	-	6,093,000	-	6,093,000	1,555,000
Indian Head	Design	Design	14,175,000	2,831,000	1,628,000	1,203,000	6,833,000	-	6,833,000	4,511,000
Perryville	Design	Design	12,086,000	2,369,000	-	2,369,000	3,438,000	-	3,438,000	6,279,000
Georges Creek	Design	Design	11,944,000	4,472,000	1,000,000	3,472,000	3,000,000	-	3,000,000	4,472,000
Bowie	Design	Operation	10,042,000	-	-	-	9,765,000	-	9,765,000	277,000
Frederick	Design	Operation	9,900,000	-	-	-	8,400,000	-	8,400,000	1,500,000
*Swan Point	Design	Design	10,000,000	-	-	-	-	-	-	10,000,000
Patapsco	Design	Design	206,448,000	42,537,000	1,224,000	41,313,000	121,735,000	-	121,735,000	42,176,000
Celanese	Operation	Operation	16,845,000	3,594,000	3,594,000	-	2,500,000	2,500,000	-	10,751,000
Chesapeake Beach	Planning	Operation	3,300,000	-	-	-	3,300,000	-	3,300,000	-
Denton	Planning	Operation	3,100,000	-	-	-	3,100,000	-	3,100,000	-
Western Branch	Planning	Operation	81,935,000	-	-	-	11,600,000	-	11,600,000	70,335,000
Cox Creek	Planning	Operation	29,900,000	-	-	-	29,900,000	-	29,900,000	-
Mattawoman	Planning	Construction	44,765,000	10,433,000	9,990,000	443,000	15,300,000	-	15,300,000	19,032,000
Ballenger Creek	Planning	Operation	4,800,000	-	-	-	4,800,000	-	4,800,000	-
Conococheague	Planning	Operation	5,200,000	-	-	-	5,200,000	-	5,200,000	-
Cumberland	Planning	Operation	40,359,000	-	-	-	30,564,000	-	30,564,000	9,795,000
Damascus	Planning	Operation	1,000,000	-	-	-	1,000,000	-	1,000,000	-
Dorsey Run (State)	Planning	Operation	3,900,000	-	-	-	3,900,000	-	3,900,000	-
Hagerstown	Planning	Operation	8,900,000	-	-	-	8,900,000	-	8,900,000	-

Major WWTP	ENR Status	BNR Status	Est. Total Cost	Estimated State BNR Share			Estimated State ENR Share			Other
				Total BNR	Encumbered	Future Enc.	Total ENR	Encumbered	Future Enc.	
Joppatowne	Planning	Operation	3,200,000	-	-	-	3,200,000	-	3,200,000	-
Parkway	Planning	Operation	8,300,000	-	-	-	8,300,000	-	8,300,000	-
Patuxent	Planning	Operation	-	-	-	-	-	-	-	-
Piscataway	Planning	Operation	1,400,000	-	-	-	1,400,000	-	1,400,000	-
Seneca Creek	Planning	Operation	15,900,000	-	-	-	4,000,000	-	4,000,000	11,900,000
Annapolis	Planning	Operation	10,700,000	-	-	-	10,700,000	-	10,700,000	-
Broadneck	Planning	Operation	10,010,000	-	-	-	6,400,000	-	6,400,000	3,610,000
Broadwater	Planning	Operation	5,148,000	-	-	-	5,148,000	-	5,148,000	-
Havre De Grace	Planning	Operation	4,000,000	-	-	-	4,000,000	-	4,000,000	-
Maryland City	Planning	Operation	1,400,000	-	-	-	1,400,000	-	1,400,000	-
Sod Run	Planning	Operation	22,500,000	-	-	-	22,500,000	-	22,500,000	-
Leonardtown	Planning	Operation	3,000,000	-	-	-	3,000,000	-	3,000,000	-
Mount Airy	Planning	Operation	3,200,000	-	-	-	3,200,000	-	3,200,000	-
Blue Plains (Md Portion)	Planning	Operation	1,080,000,000	68,000,000	8,523,000	59,477,000	264,000,000	-	264,000,000	748,000,000***
Back River	Planning	Operation	117,000,000	-	-	-	117,000,000	-	117,000,000	-
Mayo Large Communal	Planning	Planning	12,600,000	3,150,000	-	3,150,000	3,000,000	-	3,000,000	6,450,000
Snow Hill	Planning	Planning	12,000,000	3,000,000	800,000	2,200,000	3,000,000	-	3,000,000	6,000,000
Aberdeen	Planning	Operation	5,100,000	-	-	-	5,100,000	-	5,100,000	-
**Apg-Aberdeen	Pre-planning Activities	Construction	9,200,000	-	-	-	-	-	-	9,200,000
Princess Anne	Pre-planning Activities	Operation	3,400,000	-	-	-	3,400,000	-	3,400,000	-
Freedom District	Pre-planning Activities	Operation	3,500,000	-	-	-	3,500,000	-	3,500,000	-
Fruitland	Pre-planning Activities	Operation	3,100,000	-	-	-	3,100,000	-	3,100,000	-
Little Patuxent	Pre-planning Activities	Operation	28,000,000	-	-	-	28,000,000	-	28,000,000	-
Pocomoke City	Pre-planning Activities	Operation	3,500,000	-	-	-	3,500,000	-	3,500,000	-
Westminster	Pre-planning Activities	Operation	8,000,000	-	-	-	8,000,000	-	8,000,000	-
Northeast River	Pre-planning Activities	Operation	3,700,000	-	-	-	3,700,000	-	3,700,000	-

Major WWTP	ENR Status	BNR Status	Est. Total Cost	Estimated State BNR Share			Estimated State ENR Share			Other
				Total BNR	Encumbered	Future Enc.	Total ENR	Encumbered	Future Enc.	
Poolesville	Pre-planning Activities	Operation	3,000,000	-	-	-	3,000,000	-	3,000,000	-
La Plata	Pre-planning Activities	Operation	3,500,000	-	-	-	3,500,000	-	3,500,000	-
Maryland Correctional Institute (State)	Pre-planning Activities	Operation	3,400,000	-	-	-	3,400,000	-	3,400,000	-
Taneytown	Pre-planning Activities	Operation	3,300,000	-	-	-	3,300,000	-	3,300,000	-
Thurmont	Pre-planning Activities	Operation	3,200,000	-	-	-	3,200,000	-	3,200,000	-
Centreville	Pre-planning Activities	Operation	1,000,000	-	-	-	1,000,000	-	1,000,000	-
Cambridge	Pre-planning Activities	Operation	1,750,000	-	-	-	1,750,000	100,000	1,650,000	-
Emmitsburg	Pre-planning Activities	Operation	12,000,000	3,000,000	-	3,000,000	3,000,000	-	3,000,000	6,000,000
Marlay Taylor (Pine Hill Run)	Pre-planning Activities	Operation	11,400,000	-	-	-	11,400,000	-	11,400,000	-
Winebrenner WWTP	Pre-planning Activities	Pre-planning Activities	12,000,000	3,000,000	-	3,000,000	3,000,000	-	3,000,000	6,000,000
Total			\$2,198,698,000	\$209,842,000	\$69,608,000	\$140,234,000	\$872,985,000	\$29,984,000	\$843,001,000	\$1,115,871,000

*To be funded by private developer.

**To be funded by the U.S. Army.

***This amount includes \$680 million in District of Columbia and State of Virginia costs and \$68 million from the Washington Suburban Sanitary Commission.

Source: Maryland Department of the Environment