

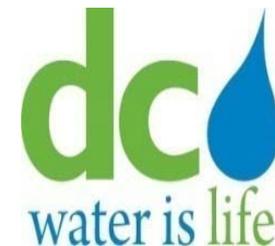
# The Blue Plains Intermunicipal Agreement (IMA)

***Presentation to  
Montgomery County Water Quality  
Advisory Group***

Tanya T. Spano

Metropolitan Washington Council of  
Governments

November 12, 2013



# Today's Briefing

- History of 1985 IMA
  - Why? What did it Do?
  - Accomplishments
  - Elements of New 2012 IMA
- Why a New IMA?
  - Factors Driving Need for New IMA
  - Process/Philosophy
  - Organization/Key Elements of 2012 IMA
  - Why Important? To Region – To Montgomery County

# What Is & Why an Intermunicipal Agreement?

- A contract/regional agreement among the District of Columbia, Fairfax County, Montgomery County, Prince George's County and the WSSC that:
  - Supports regional growth & development
  - Protects Potomac River water quality
  - Properly allocates costs
  - Address the uniqueness of the District of Columbia
  - Cooperatively plans for the future
  - Supports regional coordination and collaboration and avoids litigation

# Factors that Led to the Original (1985) IMA

- Sewer moratoria in 1970s and cap on Blue Plains Capacity of 309 mgd – regional growth threatened
  - Inability of regional “208” planning to resolve
  - EPA wanted IMA as outcome from capacity study
  - Grant funding issues
- District of Columbia “sludge independence” and wastewater capacity needs
- Need to equalize prior capital investments
- Local leadership – “the time was right”

# What Did the 1985 IMA Do?

- Created a structure for 26 years of regional cooperation and constructively addressing problems:
  - **Provided** cost-effective expansion of Blue Plains from 309 to 370 mgd (i.e., regional capacity needs met through 2010)
  - **Ended** moratoria on wastewater services
  - **Ended** chronic sludge (biosolids) disposal crises
  - **Reconciled** prior capital investments
  - **Ensured** EPA grant support
  - **Restored** Potomac River estuary
  - **Facilitated** creation of DC Water and Sewer Authority
  - **Established** process for cooperative problem solving

# What did the 1985 IMA Accomplish?

- **Defined** rights & responsibilities of Parties
- **Provided** cost-effective expansion of Blue Plains (309 to 370 mgd)
  - Ensured EPA grant support
  - Supported & Aided restoration of Potomac River estuary
- **Allocated** capacity for all Parties
  - Ended moratoria on wastewater services
  - Guaranteed District always had wastewater capacity to meet its needs
  - Ended chronic sludge (biosolids) disposal crises
    - Confirmed shared regional responsibility for sludge management
    - Identified planned facilities to ensure District always had disposal options
- **Addressed** financial obligations of all Parties
  - Reconciled prior capital investments & defined how costs shared
- **Created** structure that has to date provided 26 years of regional cooperation
  - Established process for cooperative problem solving
  - Facilitated creation of DC Water and Sewer Authority (DC Water)

# Factors Driving Need for New IMA

## *(and some key examples)*

- **Procedural/Structural**
  - DC WASA/DC Water created (1996)
  - Need to reflect actual way business got done (MOUs, 40% of 1985 IMA was out-of-date, etc.)
- **Permit/Regulatory/Technical**
  - Bay nutrient reductions (TMDLs) – affects all WWTPs in region
  - Combined Sewage Overflow (CSO) requirements (District issue)
  - Extensive technical work/analysis by DC Water
- **Financial**
  - CSO Long-term Control Plan (captured stormwater in District system, 7.1% solution)
  - Major new capitol projects (expensive)

# Process to Create 2012 IMA

- Annotated 1985 IMA Prepared (2005)
- Technical Work & Regulatory Actions (2005 – 2011)
- Negotiation Team prepares 2012 IMA (2009 – 2011)
  - 2 members per jurisdiction/agency (*District, DC Water, Fairfax, Prince George's, Montgomery, & WSSC*)
  - Policy/Technical staff, Legal support, & work groups (*i.e., Legal, Operational, Intergovernmental, Pretreatment, Financial, Biosolids*)
  - Secretariat support by COG staff

# Guiding Philosophy for 2012 IMA

- Reflect all that has changed since 1985 IMA signed
- Reflect rights & responsibilities & commitments of all Parties
- Create a ‘living document’
  - **Core IMA** - To define fundamentals
  - **Derivative Agreements (DAs)** – To address matters that can/will change over time w/out modifying core fundamentals:
    - **Operating Agreements (OAs)** - address IMA implementation details
    - **Service Agreements & Limited Party Agreements**
- Define processes for ‘future’ issues – “anticipate change”
  - Address new regulatory requirements & integrated planning
  - Address new cost allocation & capacity implications
  - Resolve IMA “contract” disputes in a timely manner

# BLUE PLAINS INTERMUNICIPAL AGREEMENT of 2012

*Among the*  
District of Columbia  
DC Water  
Fairfax County, Virginia  
Montgomery County, Maryland  
Prince George's County, Maryland  
Washington Suburban Sanitary Commission



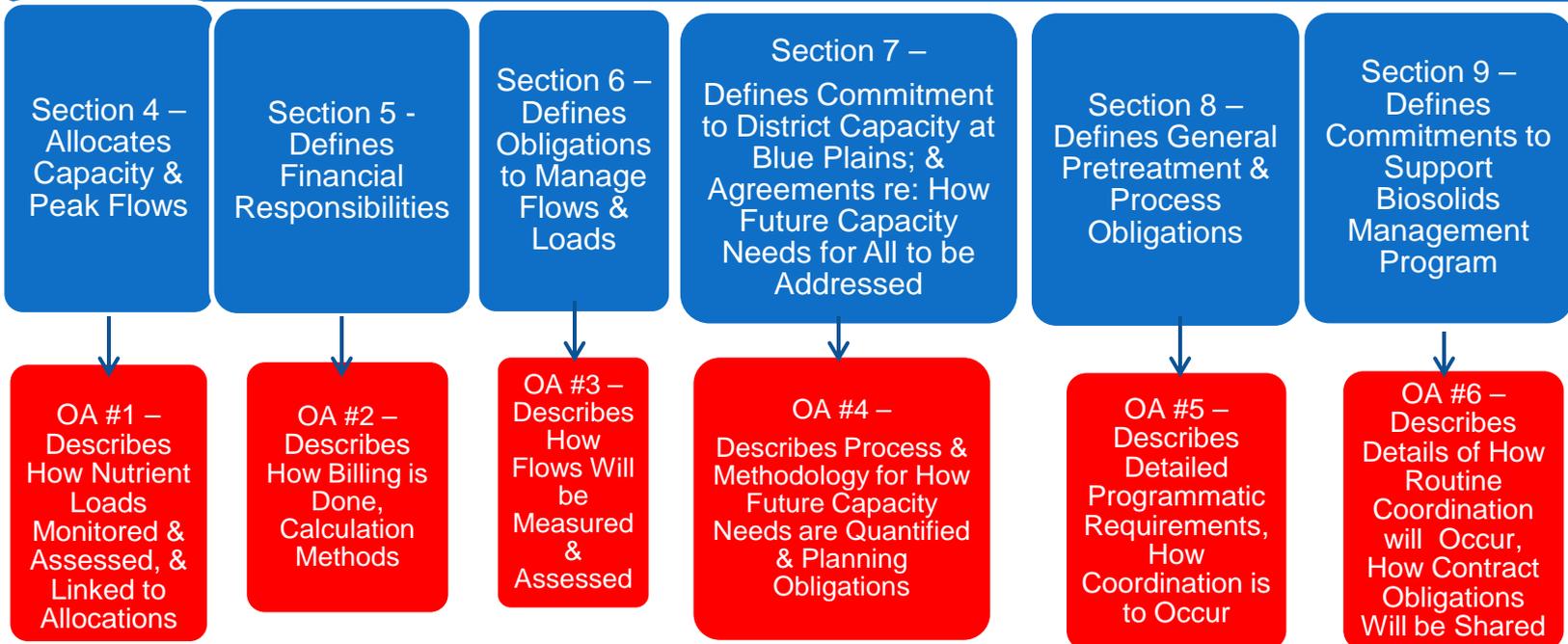
# 2012 IMA Components

Sections in **red bold** supported by Derivative Agreements

- Preamble
- 1. Key Principles
- 2. Governance
- 3. Blue Plains Permit Responsibilities & Treatment Process Requirements
- 4. **Blue Plains Flow Capacity Loads, & Peak Flows – Allocations & Limitations**
- 5. **Financial Responsibilities of Parties**
- 6. **Flow & Load Measurement & Management**
- 7. **Wastewater Capacity Needs & Future Options**
- 8. **Pretreatment & Operational Requirements**
- 9. **Biosolids Management Commitments**
- 10. Administrative Provisions & Procedures
- 11. Derivative Agreements Under This IMA
- 12. Glossary
- Signatories
- Appendix – Historical Agreements

# 2012 IMA – Correspondence of Core IMA with **Derivative Agreements**

## Core 2012 IMA



# 2012 IMA

## Section 1. Key Principles (KPs)

- Key Principles provide basis for 2012 IMA:
  - Ensure best management of Blue Plains
  - Allocate capacity & peak flow limitations, and manage flows & loads
  - Assess how costs are allocated (Capital and O&M)
  - Take collective responsibility for biosolids management
  - Recognize DC Water's responsibility to operate Blue Plains & commitment of Parties to cooperate with DC Water
  - Address District capacity needs at Blue Plains & to work together to meet future needs for all Parties
  - Protect water quality
  - Address terms and how IMA & DAs to be amended
  - Handle disputes

# 2012 IMA

## Section 2. Governance

- Defines levels of authority, and clear roles & responsibilities for:
  - Signatories
  - Leadership Committee (BP CAOs & DC Water & WSSC General Managers)
  - Regional Committee (professional staff appointed by CAOs/GMs)
- Enables observer participation in Leadership and Regional Committees based on individual Party procedures
- Defines membership that includes all 6 Parties
- Acknowledges distinctions between operational vs. governmental/policy roles
- Addresses linkages to all governing bodies
- Formalizes dispute resolution process and timing
- Outlines notification & various process/procedural issues

# 2012 IMA

## Section 3 – Blue Plains Permit Responsibilities & Treatment Process Requirements

- Specifies DC Water's responsibilities:
  - Overall permit compliance as operator of Blue Plains
  - Notification to other Parties of issues that do/may impact terms of IMA, especially financial impacts
  - To provide opportunity for comment & input
- Defines individual & collective financial responsibilities to support Blue Plains permit/process needs
- Commitment to a regional water quality stewardship role and financial support
- Reflects new obligations/implications to all Parties of:
  - New Blue Plains permit, CSO LTCP, & Ches. Bay TMDL

# 2012 IMA

## Section 4. Blue Plains Flow Capacity, Loads & Peak Flows – Allocations & Limitations

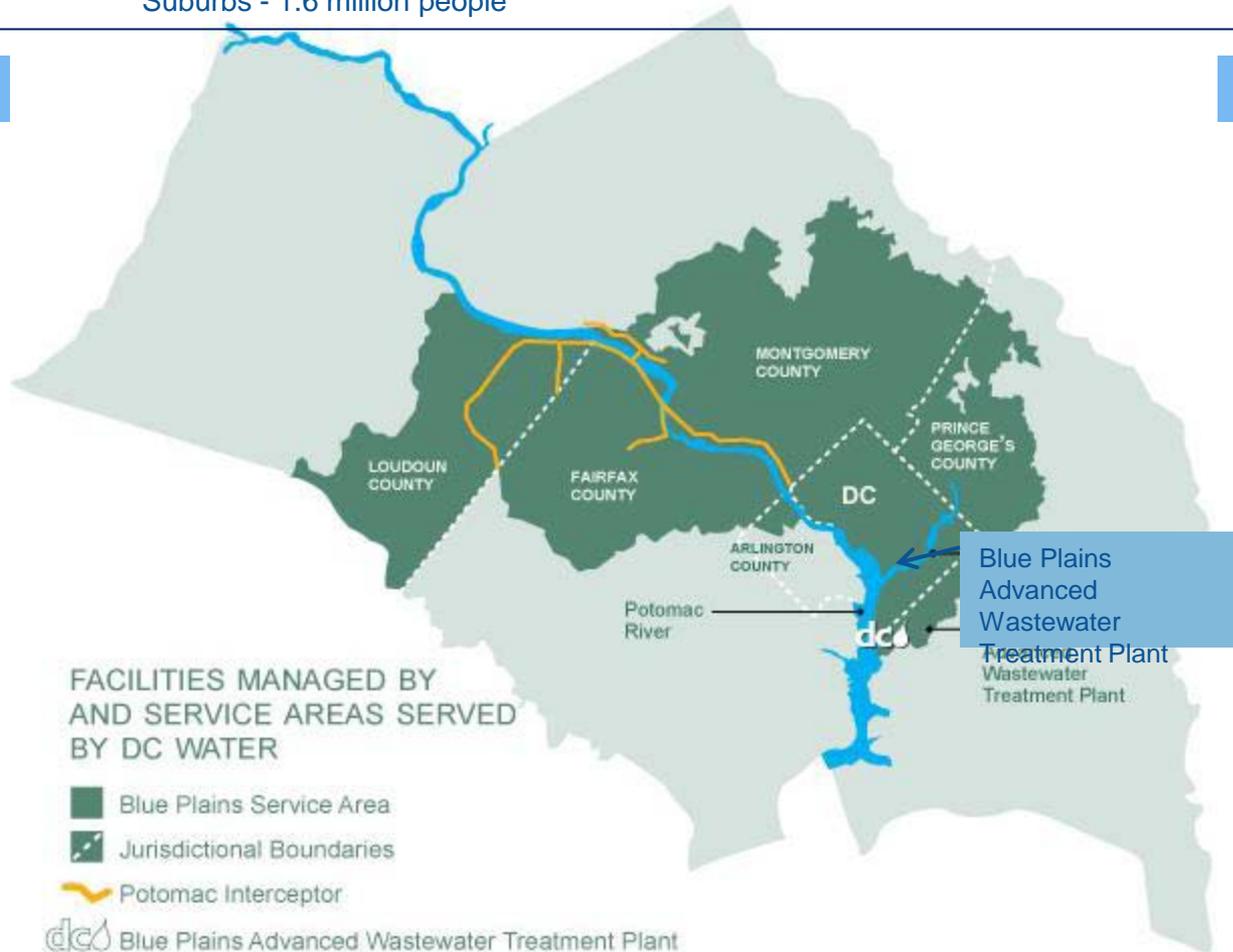
- **Defines** how Blue Plains capacity is allocated
- **Codifies** agreement to increase District capacity by 4.5 mgd from Potomac Interceptor (PI) Reserve
- **Acknowledges** that Captured Stormwater Flow (now 21 mgd) is not counted against District's portion of 370 mgd allocation
- **Reflects** latest flow predictions & management assumptions (i.e., 370 mgd available to 2040)
- **Defines** how peak flows in PI & other interceptor capacities are allocated & associated peak flow limits enforced including Non-Party/Indirect Users
- **Defines** conditions for limited capacity transfers/nutrient load transfers
- **Recognizes** that loads are linked to capacity, & that options are limited based on District/Maryland/Virginia TMDL allocations
- Supported by **Operating Agreement #1**

# Blue Plains WWTP & Service Area

**Blue Plains Plant** - 370 Million Gallons/Day (MGD)  
(~1/2 wastewater treatment capacity of the Metropolitan Washington region)

**Service Area:** 725 square miles (District, plus portions of Maryland and Virginia)

**Serves:** District - 600,000 residents / 16.6 million visitors / 700,000 employees  
Suburbs - 1.6 million people



# WSSC's Flow Capacity

- WSSC's share is not allocated within the IMA – dealt with via agreements w/ Counties & WSSC
- Blue Plains provides 70% of wastewater capacity for Montgomery County
- Some constraints on WSSC's effective capacity due to nutrient loading issues

2012 IMA Section 4 – Blue Plains Flow Capacity, Loads, & Peak Flows – Allocations & Limitations

## SECTION 4. BLUE PLAINS FLOW CAPACITY, LOADS, AND PEAK FLOWS - ALLOCATIONS AND LIMITATIONS

### A. BLUE PLAINS ALLOCATED FLOW CAPACITY

#### 1. Basis for Capacity Allocations

- The Allocated Flow Capacity for the District, Fairfax, WSSC, and Non-Party Users is defined in Table 4-A below.
- The Allocated Flow Capacity is based on Blue Plains current Design Flow Capacity and reflects the ability of Blue Plains to provide treatment of the incoming wastewater under Annual Average Hydrologic Conditions.
- It is recognized that the Captured Stormwater Flows (CSF) that receive treatment to meet the Combined Sewer Overflow Long-term Control Plan (CSO LTCP) requirements are not part of the District's Allocated Flow Capacity.

TABLE 4-A

BLUE PLAINS ALLOCATED FLOW CAPACITY	
ENTITIES	ALLOCATIONS (MGD) <sup>1</sup>
District of Columbia	152.50
Non-Party Users:	
Loudoun County Sanitation Authority, Virginia	13.80
Dulles Airport, Virginia	1.50
Town of Vienna, Virginia	1.50
Naval Ship Research & Development Center, Maryland	0.07
National Park Service, Maryland	0.03
Sub-total	16.90
<b>District of Columbia – Total</b>	<b>169.40</b>
<b>WSSC<sup>2</sup> (for Prince George's County &amp; Montgomery County), Maryland – Total</b>	<b>169.60</b>
<b>Fairfax County, Virginia<sup>3</sup> - Total</b>	<b>31.00</b>
<b>Grand Total – Blue Plains Design Flow Capacity</b>	<b>370.00</b>

<sup>1</sup> Flows represent Annual Average Hydrologic Conditions.

<sup>2</sup> The Allocated Flow Capacity for WSSC is on behalf of Prince George's and Montgomery; with any sub-allocations determined by separate agreements between those entities. The WSSC allocation also includes wastewater from other political jurisdictions with which WSSC has separate agreements.

<sup>3</sup> The Allocated Flow Capacity for Fairfax also includes wastewater from other political jurisdictions with which Fairfax has separate agreements.

# 2012 IMA

## Section 4. Blue Plains Flow Capacity, Loads & Peak Flows – Allocations & Limitations

- **Operating Agreement #1:**
  - Notes that its scope/authority are derived from Core IMA, **Section 4** obligations
  - **Defines Loads:**
    - **Effluent Loads** - Includes table that lists District, Maryland & Virginia TMDL allocations for nutrients (Nitrogen & Phosphorus) and for Blue Plains as a whole
    - **Influent Loads** - Includes table that lists current design flow and load assumptions for Blue Plains that are the used as basis for design, and that ensure that Blue Plains can meet its permit obligations

# 2012 IMA

## Section 5. Financial Responsibilities of Parties

- Acknowledges responsibility & general basis for paying shared costs:
  - Capital Costs – based on allocation of 370 mgd
  - Operating & Maintenance (O&M) Costs – based on actual flows
  - User Fee – proportionate to share of 370 mgd
- Introduces concept of Multi-Jurisdiction Use Facilities (MJUF), determinations & application (*i.e., shared use & cost responsibilities*)
- States responsibility for sharing risks/paying proportionate share of Fines, Penalties & Claims
- Supported by **Operating Agreement #2**

# 2012 IMA

## Section 5. Financial Responsibilities of Parties

- **Operating Agreement #2:**
  - Notes that its scope/authority are derived from Core IMA, **Section 5** obligations
  - Documents current billing and payment procedures, & reconciliations - including those from several existing MOUs
  - Recognizes new methods for allocating use & shared costs (*over \$3 Billion in Capital Costs, e.g., for pipelines within District, & CSO LTCP*)
  - Reflects latest cost differential for how Captured Stormwater Flows should be billed (i.e., now to be adjusted by 49%)

# 2012 IMA

## Section 6. Flow & Load Measurement & Management

- Acknowledges commitment of all to:
  - Manage flows to be consistent with allocations & limitations
  - Manage loads to meet Blue Plains permit & process needs
  - Ensure that others also comply with these requirements (i.e., those managed by DC Water as well as Fairfax & WSSC)
- Acknowledges commitment to manage flows
  - District to manage Captured Stormwater Flows to meet permit, while protecting overall capacity obligations
  - Suburban members to manage their Inflow/Infiltration flows
- Supported by **Operating Agreement #3**

# 2012 IMA

## Section 6. Flow & Load Measurement & Management

- **Operating Agreement #3:**
  - Notes that its scope/authority are derived from Core IMA, **Section 6** obligations
  - Outlines detailed procedures for how flows will be measured, reported, assessed & managed
  - Includes calculations, examples, & actual nomographs used to support those calculations
  - Outlines procedures for how influent loads will be measured, reported & assessed
  - Describes link between flows & influent loads, need to monitor, potential impacts, & defines process for addressing such impacts should they become an issue
  - Describes how peak flows to be measured, assessed & managed (including detailed calculations) – and modified if needed
  - Defines how loads will be monitored, assessed & managed

# 2012 IMA

## Section 7. Wastewater Projected Flow Capacity Needs & Future Options

- Outlines rationale & overall req.'s for assessing future flows & resulting capacity needs for Blue Plains Service Area (BPSA)
- Defines specific commitment to ensure that District capacity needs are addressed in a timely manner
- Recognizes complex links between capacity & loads, & regulatory requirements due to TMDLs/permits
- Defines a comprehensive assessment & jointly managed studies to determine future options - and joint responsibility for funding (in lieu of automatic off-loading & set reimbursement formula)
- Supported by **Operating Agreement #4**

# 2012 IMA

## Section 7. Wastewater Projected Flow Capacity Needs & Future Options

- **Operating Agreement #4:**
  - Notes that its scope/authority are derived from Core IMA, **Section 7** obligations
  - Describes how studies are to be conducted, methodologies used, & options evaluated
  - Notes obligations & outlines notification requirements if flows need to be diverted away from Blue Plains – and how associated loads will be managed

# 2012 IMA

## Section 8. Pretreatment & Operational Requirements

- Acknowledges need to protect Blue Plains & sewage collection system to:
  - Meet EPA Pretreatment/permit requirements
  - Protect/meet operational requirements at Blue
- Defines monitoring, implementation & compliance obligations of:
  - Fairfax & WSSC - in their service areas, as well as their Indirect Users
  - DC Water – of Fairfax and WSSC, as well as Non-Party Users that they oversee
- Supported by **Operating Agreement #5**

# 2012 IMA

## Section 8. Pretreatment & Operational Requirements

- **Operating Agreement #5:**
  - Notes that its scope/authority are derived from Core IMA, **Section 8** obligations
  - References all existing pretreatment agreements
  - Defines screening requirements for pumping stations
  - Outlines detailed monitoring requirements/restrictions on trucked waste & other materials
  - Outlines reporting & enforcement requirements

# 2012 IMA

## Section 9. Biosolids Management Commitments

- Reflects Blue Plains' Biosolids Management Program (BMP) objectives vs. detailed processes
- Outlines elements of collective/regional responsibility to support BMP (*e.g., coordination, address legislation, support DC Water's efforts*)
- Notes commitment to share contracting responsibilities
  - When/if deemed appropriate (routine) or necessary (emergency conditions)
  - To jointly share benefit of any sales
- States need for coordination/joint action if an emergency condition occurs
- Supplemented by **Operating Agreement #6**

# 2012 IMA

## Section 9. Biosolids Management Commitments

- **Operating Agreement #6:**
  - Notes that its scope/authority are derived from Core IMA, **Section 9** obligations
  - Defines Regional Committee responsibility to develop recommendations/actions to address obligations stated in **Section 9** and to address emergencies
  - Reflects current responsibility of WSSC to manage/issue contracts for portion of Blue Plains biosolids within a range (30% to 50%)
  - Outlines contract coordination/review processes, as well as marketing efforts

# 2012 IMA

## Section 10. Administrative Provisions & Procedures

- Recognizes concept of Core IMA vs. DAs
- Addresses fundamental aspects, obligations & procedures related to the Core IMA & DAs
  - Duration (*i.e., until amended/replaced/terminated by mutual consent*)
  - Severability
  - Authority (*i.e., consistent w/ each jurisdiction/agency's own internal requirements*)
  - Core IMA Amendment procedures (*by Signatories; by mutual consent*)
  - Dispute Resolution
  - Notices
  - Prior Agreements

# 2012 IMA

## Section 11. Derivative Agreements Under This IMA

- Outlines scope, types, function & general limitations of all DAs – but all are ‘derived’ from principles/scope of the Core IMA and cannot change contractual rights/responsibilities of the Parties
  - **Operating Agreements** (*in 1985, such details were in IMA itself – hence easily got out-of-date*)
    - Modifications subject to a 60-day review period by Signatories
  - **Service Agreements** (*includes existing agreements with Non-Party Users & Indirect Users; as well as services to support Parties, e.g., secretariat services and regional water quality program*)
  - **Limited Party Agreements** (*limited to specific actions/allocations of capacity among 2 or more Parties or Party(ies) with Non-Party(ies)*)

# 2012 IMA

## Section 12. Glossary

- Includes terms needed in Core IMA
- Reflects current conditions & updates/refines definitions as needed
- Retains key terms, but avoids inclusion of commonly understood language (*e.g., biosolids*)

*Note: Similar approach used to include glossaries within each DA as needed to reflect additional terms*

# 2012 IMA Signatories

- **District of Columbia** - Mayor
- **DC Water** – Chairman, Board of Directors
- **Fairfax County** – Chairman, Board of Supervisors
- **Montgomery County** – President, County Council & County Executive
- **Prince George's County** – Chair, County Council & County Executive
- **WSSC** – Chair & Vice Chair

# 2012 IMA – A Living Document

- **Continues** to provide clear financial support/commitment to fund expenses at Blue Plains & other shared facilities
- **Builds upon** past 26 years of regional collaboration, cooperation & coordination
- **Reflects** latest permit/regulatory requirements as well as a tremendous amount of technical work & analysis
- **Reflects** DC Water and its unique role as operator/permit holder
- **Structure defines** the critical rights & responsibilities and commitments of the Parties; and **provides flexibility** to effectively/ and in a timely manner address new requirements/procedures (*i.e., anticipates and plans for change*)
- **2012 IMA** expected to be viable for many decades

# 2012 IMA Review and Approval Process

- **Mid-January:** Final 2012 IMA documents were transmitted to Parties
- **January/February/March:** Governing Body Briefings/Approvals
- **May 8, 2013:** Regional Signing Event at COG

# 2012 IMA – Why Important to Region?

- 1. Ensures long-term financial & programmatic support for critical regional water infrastructure (i.e., Blue Plains WWTP)**
  - **Regional Wastewater Needs** – Ensures that the wastewater treatment requirements for approximately ½ of the region’s wastewater capacity is addressed into the future (i.e., at least the next 30 years) – accounting for growth
  - **Financial** - Ensures shared & continued/long-term funding for Blue Plains & associated facilities (*approx. \$6 – 8 Billion Capital and O&M expenses/20 years*)
- 2. Continues historical & ongoing commitment to improve & protect Potomac River water quality -**

Collaborative approach to deal with future capacity needs, address nutrient load allocations in COG region, & commitment to protect water quality in Potomac, Anacostia, & Chesapeake Bay

# 2012 IMA – Why Important to Region?

## 3. **Reflects product of strong & ongoing regional collaboration**

- Builds on 26 years of successful cooperation & integrated planning, & lays out process for addressing future challenges
- Solidifies long-standing role with key COG Members (technical, policy & legal – not just secretariat)
- Strengthens our regional water program (e.g., staff expertise, core funding)

# 2012 IMA – Benefits to Montgomery Co.

- **Wastewater Capacity**

- Provides 169.6 mgd for WSSC
- Provides for 70% of wastewater needs in Montgomery County

- **Financial**

- Provides significant cost savings for wastewater costs due to economies of scale achieved at Blue Plains
- Establishes known/dependable means for participating in development and evaluation of costs

- **Water Quality**

- Helps support improvements to Potomac and Anacostia Rivers and Chesapeake Bay – consistent with County’s environmental objectives

- **Representation**

- Ensures that the County is an active participant in the decision processes

# Wrap-up

- Questions?
- Contact Information:
  - Tanya T. Spano  
Chief, Regional Water Quality Management Section, MWCOG  
(202) 962-3776 [tspano@mwkog.org](mailto:tspano@mwkog.org)