



County of Fairfax, Virginia

To protect and enrich the quality of life for the people, neighborhoods and diverse communities of Fairfax County

November 14, 2019

The Honorable Laurie A. DiRocco
Mayor, Town of Vienna
127 Center Street S.
Vienna, VA 22180

Re: Inspection and Potential Repair of Piney Branch and Difficult Run Trunk Sewers

Dear Mayor DiRocco:

The purpose of this Letter Agreement is to confirm the roles and responsibilities of the Town of Vienna and Fairfax County with respect to coordinating the billing and payment arrangements for the planned inspection and potential repair and/or replacement of the Piney Branch and Difficult Run trunk sewers.

I. Background

As you know, pursuant to the Sewerage Service Agreement between Vienna and the County dated December 16, 1963 (Agreement), the County purchased capacity in, and is responsible for, a portion of the costs incurred by Vienna for operation and maintenance of the Piney Branch and Difficult Run trunk sewers (trunk sewers). Staff from the County and Vienna's wastewater departments agree that the trunk sewers appear to need some level of rehabilitation or repair, but a thorough condition assessment must be done to determine the extent of any necessary work.

Ordinarily, Vienna would arrange for a consultant to inspect the sewer facilities and then include the County's allocated share (63.19%) of the actual cost of the inspection and any repair and replacement in the next quarterly bill submitted to the County in accordance with the terms of the Agreement. Under this existing arrangement, Vienna would have to bear the full up-front cost of the inspection (currently estimated to exceed \$700,000). In light of the fact that the County uses a majority of the capacity in the trunk sewers, and in an effort to avoid any emergencies or sewer service outages affecting the County and Vienna's respective customers, the County is willing to take the lead on this inspection subject to Vienna's confirmation of the following details.

II. Inspection Project: Determination Regarding Repair/Replacement

The County will retain a consultant to perform an inspection of the trunk sewers. It is expected that the inspection will occur in two phases. A copy of the initial task order will be provided to Vienna upon request. Vienna will afford staff from the County and its consultant access to the Piney Branch and Difficult Run trunk sewers and appurtenances and otherwise cooperate with

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the County and its consultant for the purposes of the inspection work. The County will share with Vienna the results of the inspection. Within 30 days of transmittal of the inspection results to Vienna, Vienna's Deputy Director of Public Works, or his designee(s), and the County's Director of Wastewater Planning and Monitoring Division, or his designee(s), will confer regarding the extent of any repairs or replacements to be performed based on the inspection results.

III. Billing and Payment

A. Payments by Vienna to the County for Vienna's share (36.81%) of the cost of the inspection and any resulting repairs or replacements shall be made as follows:

(1) If after considering the results of the inspection the County and Vienna decide that no repairs or replacement of the trunk sewers are necessary, Vienna shall pay the County 36.81% of the total cost of the inspection project, as determined after completion of the work. For the purpose of this Letter Agreement, the total cost of the inspection project will include reimbursement of the County's finance cost of 3.91%, which is the interest rate on the most recent Sewer Revenue Bond issued by the County. Payment by Vienna of this amount will be made in semi-annual installments with the first such installment payment being due within 30 days after Vienna's receipt of the inspection results from the County; or

(2) If after consideration of the results of the inspection the Town of Vienna and the County determine that repair or replacement of the trunk sewers or any portion thereof is appropriate, the Town may have the County immediately proceed to perform, or have a contractor perform, the agreed-upon repairs and/or replacements (rehabilitation) and apportion to Vienna 36.81% of the total cost of the inspection and the rehabilitation. The total cost of the inspection and rehabilitation will include reimbursement of the County's finance cost of 3.91%, which is the interest rate on the latest Sewer Revenue Bond issued by the County. Vienna is hereby expressly waiving the requirement in Section 11 of the Agreement that the County allow Vienna a reasonable period to proceed with the rehabilitation itself. Payment by Vienna of its allocated share of the total costs of the inspection and rehabilitation will be made in semi-annual installments with the first such installment payment being due within 30 days after Vienna's receipt of notification by the County that the rehabilitation is complete.

B. Vienna agrees to pay a late fee on outstanding invoices past due over 30 days. The late fee will be calculated by multiplying the overdue balance by the average rate of interest earned by the County on its cash investments during the last 12 months.

C. Vienna may prepay any obligation owed pursuant to this Letter Agreement without penalty at any time.

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D. It is expressly understood by Vienna that any financial obligations of the County under this Letter Agreement are payable solely from revenues derived from the use and operation of the County's sewer system and shall not be deemed a pledge of the County's full faith and credit.

In keeping with past practice, and in order to ensure that our financial records are complete, I ask that you countersign this Letter Agreement below to indicate Vienna's acceptance of the terms as stated above.

Sincerely,



Bryan J. Hill
County Executive

cc: Mercury Payton, Town Manager, Town of Vienna
Rachel Flynn, Deputy County Executive
Randolph W. Bartlett, Director, Department of Public Works and Environmental Services

Approved:

Laurie A. DiRocco, Mayor
Town of Vienna