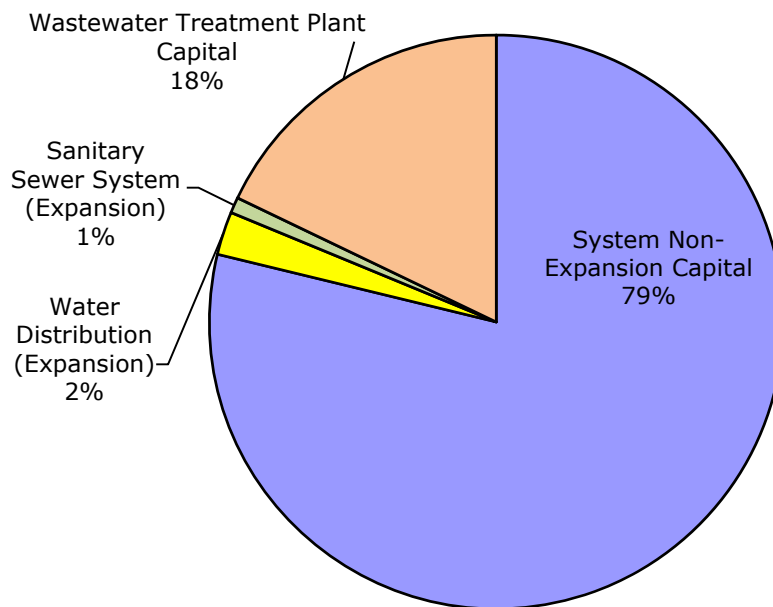


Our Mission: To provide and maintain a water distribution system, a sewage collection system, and a wastewater treatment plant

The Department of Environmental Services is responsible for managing the Utility Fund, which includes providing and maintaining a water distribution system, a sewage collection system, and a wastewater treatment plant. The Proposed FY 2019 Utility Fund Pay-As-You-Go Budget Summary, program budget appropriation distribution graph, project descriptions, and fund statement are included on the following pages.

Distribution of Fund Budget



FY 2019 PROPOSED PAYG BUDGET SUMMARY

PROGRAM CATEGORY	AMOUNT
UTILITIES	
Wastewater Treatment Plant Capital	\$3,574,000
System Non-Expansion Capital	15,744,500
Water Distribution System Improvements (Expansion)	487,000
Sanitary Sewer System Improvements (Expansion)	174,000
Total Project Cost	19,979,500
Less: Infrastructure Availability Fees & Other Revenue	5,954,200
Net Utilities Funds Support	\$14,025,300

Note: Other revenue includes non-expansion Interjurisdictional revenue of \$655,000 and a second installment reimbursement for the refuse and recycling share of the Utility Billing system (\$199,200).

FY 2019 PROPOSED UTILITIES BUDGET

Wastewater Treatment Plant Improvements (Non-Expansion) \$3,574,000

- **Water Pollution Control Plant Maintenance Capital Program.** This program provides for the annual repair, replacement, and upgrade of current equipment and infrastructure at the Plant and lift stations. Major program components include refurbishing or replacing equipment to prevent premature failure, infrastructure improvements, and automating treatment processes to increase operational efficiency, reliability, and redundancy. Additionally, studies of alternative treatment processes to increase efficiency and reduce environmental impact are funded through this program (\$2,000,000).
- **Technology Enhancements.** This program provides funding for the Plant's Process Control System (PCS) and other networked cyber/ security related initiatives. Several discreet projects have been identified as part of this program (\$749,000).
- **Primary Clarifier Upgrades.** This project will evaluate and rehabilitate/improve equipment and facilities associated with the primary clarifiers to ensure alignment with industry best practices. The last upgrade to the system was approximately twenty years ago. A holistic assessment of the equipment, facilities, process, and future needs is desirable to determine what improvements are needed to ensure the continued reliability and sustainability of this system (\$100,000).
- **Blue Plains Plant Capital.** The District of Columbia Water and Sewer Authority Blue Plains Plant processes a portion of Arlington County's sewage after transmission through Fairfax County mains. The capital program funds Arlington's annual payment through Fairfax County to the Blue Plains Plant for capital improvements. It also funds improvements to the transmission system. Payment is due under the terms of the October 3, 1994 Sewage Conveyance, Treatment, and Disposal Agreement with Fairfax County (\$725,000).

System Non-Expansion Capital **\$15,744,500**

The funding for these projects comes primarily from a transfer from the Utilities Operating Fund, which is an enterprise fund. The revenues for this enterprise fund are derived primarily from water and sewer utility billings. Fees charged to new users who increase demands on the system are an additional funding source for these projects. The following projects and programs are planned to replace and rehabilitate the County's water distribution and sewage collection system, and to pay for the County's share of planned capital improvements at the Washington Aqueduct.

- Water main replacement program (\$4,000,000)
- Non-expansion inflow and infiltration sanitary sewer capital repairs and replacements (\$3,000,000)
- Water main cleaning and re-lining projects (\$1,800,000)
- Sewer main replacement program (\$850,000)
- Water/sewer frames & covers (\$750,000)
- Manhole rehabilitation (\$500,000)
- Large diameter sewer rehabilitation/replacement (\$500,000)
- Technology enhancements (\$250,000)
- Small diameter valve rehabilitation & replacement (\$250,000)
- Large meter vault rehabilitation & replacement (\$200,000)
- Large diameter water main rehabilitation/replacement (\$177,000)
- Water Control Center improvements (\$575,000) at the Trades Center are necessary to replace the roof, HVAC system, emergency generator roll-up connection, and make ADA upgrades to the restroom facility.
- Capital improvements at the Washington Aqueduct (\$2,892,500), from which the County purchases drinking water. Arlington County pays approximately 16.25% percent of the capital costs for this organization.

Water Distribution System Improvements (Expansion) **\$487,000**

The water main projects in this program are designed to improve overall capacity or operation of the water distribution system. These projects are part of the Water Master Plan. Funding for these projects is generated from fees charged to new users who increase demands on the water distributions system.

- Improvements for development (\$487,000)

Sanitary Sewer System Improvements **\$174,000**

The sanitary sewer improvements are intended to provide additional capacity to existing sanitary sewer lines to accommodate new development in Arlington County. These projects are part of the Sanitary Sewer Master Plan. Funding for this program is generated from fees charged to new users who increase demands on the sewer system.

- Improvements for development (\$174,000)

TOTAL UTILITIES BUDGET **\$19,979,500**

UTILITIES CAPITAL PROJECTS FUND
FUND STATEMENT

	FY 2017 ACTUAL	FY 2018 ADOPTED	FY 2018 RE-ESTIMATE	FY 2019 PROPOSED
ADJUSTED BALANCE, JULY 1	\$54,088,359	\$54,688,359	\$50,415,504	\$49,143,044
REVENUES:				
Infrastructure Availability Fees	4,822,363	5,000,000	4,500,000	5,000,000
Sewage Treatment Service Charges	464,789	555,900	555,900	655,000
Interest	204,007	100,000	100,000	100,000
Misc. Revenue	68,745	-	-	-
TOTAL REVENUE	5,559,904	5,655,900	5,155,900	5,755,000
Transfers In (Out):				
Transfer in from General Fund	400,000	199,200	199,200	199,200
Transfer In from Utilities Operating Fund	13,910,500	13,571,640	16,571,640	14,025,300
TOTAL TRANSFERS IN	14,310,500	13,770,840	16,770,840	14,224,500
TOTAL BALANCE, REVENUES AND TRANSFERS IN	73,958,763	74,115,099	72,342,244	69,122,544
EXPENDITURES:				
Capital Projects - Current Year	18,281,500	19,426,740	19,426,740	19,979,500
Capital Projects - Carry-Over	5,261,759	3,772,460	3,772,460	6,000,000
TOTAL CAPITAL EXPENDITURES:	23,543,259	23,199,200	23,199,200	25,979,500
BALANCE, JUNE 30	\$50,415,504	\$50,915,899	\$49,143,044	\$43,143,044

Most capital projects span multiple years, from design to construction completion. The FY 2017 Actual and FY 2018 Re-Estimate columns reflect that funding for capital projects are carried forward each fiscal year, and ending balances fluctuate, reflecting the carryover of these funds. The FY 2019 proposed budget column is presented in a similar fashion to show planned execution of projects in the fiscal year. These are staffs' best estimates based on preliminary plans and design and construction schedules.