

WHAT IS A CAPITAL PROJECT?

Capital projects include the design, construction, renovation or maintenance of capital assets. Capital assets are County-owned infrastructure that are of significant value, such as bridges, community centers, technology systems, water, sewer and stormwater infrastructure or parks, to name a few. County projects are funded from a variety of sources, including tax-supported Pay-As-You-Go (PAYG) funds, financed dollars such as general obligation (GO) bonds and short-term financed funds and, various other dedicated funding sources.

TYPES OF CAPITAL PROJECTS

Capital projects fall into one of two major categories: maintenance capital (MC) projects and general capital projects. The maintenance capital program serves to prolong the useful life of major investments, while minimizing the need for repeated asset repair emergencies. Although MC funds are not contingency funds, they provide versatility in allowing the County to respond to unforeseen emergencies. The County regularly conducts condition assessments of capital assets to establish an inventory of capital needs and associated prioritization plans. Maintenance capital activities differ from operating maintenance activities described elsewhere in this document in that maintenance capital activities are normally larger scale in terms of cost, size, nature, and frequency of maintenance activity.

General capital projects, on the other hand, are all other capital projects and includes those considered “new work”, such as when the County constructs a new community center or rebuilds and reconfigures a street intersection. This distinction between maintenance and general capital projects is helpful because the two types have different goals. Maintenance capital projects protect the County’s past investments in capital assets and ensure that Arlington residents get the maximum use out of those assets. General capital projects aim to meet emerging community needs by creating new capital assets or modifying existing assets to such a degree that the work cannot be considered maintenance capital.

Beyond this distinction between maintenance and general, the County further categorizes capital projects into Program Areas which correspond to the teams of County staff charged with executing the projects. The capital projects discussed in the following pages are organized into the following Program Areas:

- Regional Partnerships
- Transportation
- Facilities
- Parks and Recreation
- Technology
- Neighborhood Conservation.

HOW THE COUNTY PAYS FOR CAPITAL PROJECTS

The CIP is a comprehensive plan for capital investment in areas such as transportation, parks and recreation, public and government facilities, technology, equipment, and more. The County pays for these projects using a combination of tax revenues, general obligation (GO) bond proceeds, and other dedicated revenue sources. Due to these multiple funding sources and the multi-year nature of project execution, not all of the County’s planned spending on capital projects

appears in any one year of the operating budget (this document). For a complete overview of planned capital spending, refer to the Adopted Capital Improvement Plan(budget.arlingtonva.us/cip).

The General Capital Projects Fund or Pay-As-You-Go (PAYG) budget provides funding for capital improvements using current year ongoing revenue, one-time funding, state and federal grants, and developer fees. In addition to annual PAYG appropriations, short-term financing, bond financing and various other dedicated funding sources are the other primary sources of funding for the capital program.

The County typically uses PAYG and short-term financing to fund assets with useful lives of 10 years or less. Financed dollars, whether short- or long-term, are set on repayment schedules (debt service) concurrent with the expected useful lives of the financed assets. For example, short-term financing is often used for replacement of technology and equipment assets with expected useful lives from three to seven years. Long-term financing (e.g., GO bonds) is used primarily for the County's large capital infrastructure investments, such as buildings or roads, with expected useful lives of 10 or more years. Refer to the Debt Service section of this document and the Adopted Capital Improvement Plan for more detailed information on the County's long-term capital financing strategy.

OVERVIEW OF FY 2022 CAPITAL PROGRAM

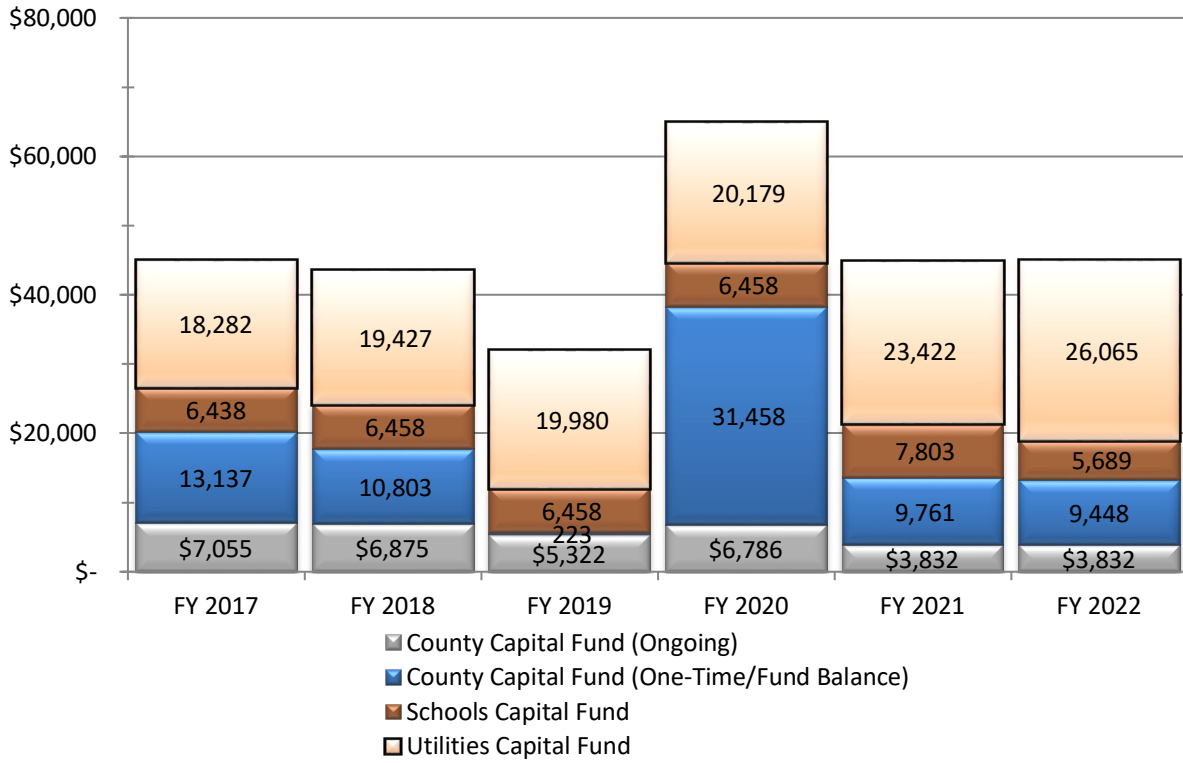
The proposed General Capital Projects Fund budget or Pay-As-You-Go (PAYG) for FY 2022 is \$13.3 million. Funding for this program comes from a variety of sources including a transfer in from the General Fund (\$1.2 million), bond premium balances (\$5.7 million), and other carryover and/or reallocated balances from FY 2021 (\$6.4 million).

The maintenance capital program serves to prolong the useful life of investments, while minimizing the need for repeated asset repair emergencies in the operating budget. This proposed budget focuses on replacing assets at the end of their useful lives and assets presenting a potential safety concern. Because projects are often multi-year in nature, appropriations rather than actual expenditures are presented.

In addition to the PAYG dollars in the General Capital Projects budget, there are PAYG investments in other funds and operations including:

- The Utilities Fund FY 2022 Proposed PAYG budget of \$23.4 million includes funding for Wastewater Treatment Plant capital maintenance and improvements to the Washington Aqueduct, which supplies the County with 100 percent of its drinking water.
- The School Superintendent's proposed FY 2022 PAYG budget is \$5.69 million, which includes major maintenance and minor construction funding.

PAY-AS-YOU-GO APPROPRIATION HISTORY
FY 2017 - FY 2022
(\$ in 000's)



FY 2022 PAYG CAPITAL EXPENDITURES BY PROGRAM AREA

PROGRAM CATEGORY	Ongoing Funds	One-Time/ Reallocated Balances	**FY 2021 Bond Premium Funds	FY 2022 Proposed
Regional Partnerships	778,934	-	-	778,934
Transportation Maintenance Capital	1,276,451		1,015,549	2,292,000
Transportation Street Safety	-	250,000	-	250,000
Transportation Multi-Modal	-	110,000	-	110,000
Facilities Maintenance Capital	-	1,125,000	685,000	1,810,000
Facilities Design and Construction	194,000		-	194,000
Parks Maintenance Capital	424,000		3,950,000	4,374,000
Synthetic Turf		489,000		489,000
Technology	50,000	1,579,285	-	1,629,285
Neighborhood Conservation	500,000		-	500,000
Public Safety	133,000	-	-	133,000
Capital Contingency/Admin	475,842	243,928	-	719,770
Total Projects	\$3,832,227	\$3,797,213	\$5,650,549	\$13,279,989

1) Numbers may not add due to rounding.

2) Total funding is a combination of one-time dollars from reallocated project balances as well as FY 2021 bond premium from the County bond sale that is restricted in use to capital projects.

3) Ongoing funding total includes the amount of a one-time cut in FY 2022 to reduce the General Fund transfer (\$2.6 million) to balance the FY 2022 budget. These ongoing funds will be replaced in FY 2023.

Regional Partnerships

\$778,934

Arlington County is a member of several regional organizations which provide services to Arlington residents and visitors. The Regional Partnerships program funds the County’s annual contributions to support these organizations’ capital needs. This funding is separate from the County’s annual operating contribution to these organizations, which is discussed in the Regionals narrative in this document. The amount the County contributes every year for capital needs is determined by each organization’s allocation formula.

▪ **Northern Virginia Regional Park Authority** **\$641,703**

The Northern Virginia Regional Park Authority (NVRPA) is a multi-jurisdictional agency comprised of Arlington County, Fairfax County, Loudoun County, and the Cities of Alexandria, Falls Church, and Fairfax which owns and operates over 10,000 acres of parklands with 21 major parks, including Potomac Overlook, Upton Hill, and the W&OD Regional Parks in Arlington.

▪ **Northern Virginia Criminal Justice Academy** **\$137,231**

In 2006, the principal members agreed to fund the construction of the Emergency Vehicle Operations Center (EVOC). The initial payments began in FY 2007 and will continue through FY 2026. The FY 2022 budget reflects Arlington’s contribution towards the annual debt payments of the EVOC.

Transportation – Maintenance Capital

\$2,292,000

The Transportation Maintenance Capital program in the Department of Environmental Services (DES) maintains transportation infrastructure by repaving streets and bike lanes, maintaining pedestrian and vehicular bridges, maintaining sidewalks, signals, and signal infrastructure, maintaining and replacing street and trail lights, maintaining and replacing parking meters, and replacing bus shelters. The program also maintains and develops transportation data assets and systems to support analysis, such as trail monitoring, Intelligent Transportation Systems (ITS), and management systems for physical transportation assets (e.g. signs) and transportation data assets (collected observed traffic data and crash data, for example).

▪ **Paving Program**

\$1,504,000

The County currently maintains 1,059 lane miles of roadway by a combination of mill and overlay, full depth rebuilding, micro-surfacing, and slurry sealing. The County utilizes a Pavement Condition Index (PCI) to assess the road conditions. The County has established a desired average PCI range of 75-80 (with 100 representing the best possible) and has raised overall PCI to 80.2 in 2020 from an average PCI of 67 in 2014. The PAYG funds along with anticipated GO bond funds will maintain the PCI level as long as changes in winter weather, contracting costs, and oil prices do not negatively impact the anticipated paving program (the 15-year paving cycle, on average, with about 72 lane miles mill & overlay per year helps to maintain a desired average PCI). Arterials are repaved more often due to the traffic volumes and type of vehicles using them, while neighborhood streets get slurry seal treatment every seven to ten years to extend their life rather than re-paving them as often. GO bonds in the amount of \$3.0 million from the 2020 Referenda will be funded for a total of \$4.5 million in the paving program.

▪ **Bridge Maintenance**

\$788,000

This is an ongoing program that provides funds to continue inspection, maintenance and rehabilitation of 36 vehicular and pedestrian bridges in Arlington County in order to assure an adequate level of safety for pedestrians and vehicular traffic. Twenty-five of the bridges are included in the Federal Highway Administration (FHWA) National Bridge Inventory (NBI), which establishes standards for inspection and maintenance of public highway bridges. All NBI bridges are required to be inspected and reported on at least biennially and the County has adopted this standard for all 36 bridges. The inspections result in recommendations for short-term, medium-term, and long-term maintenance and repairs. This program provides funding to cover the cost of annual inspections, routine and emergency maintenance, and minor rehabilitation projects for the County bridge inventory.

▪ **Street Lighting Management**

\$-

The County streets are lit with a total of about 18,900 streetlights; about 7,700 owned by the County and about 11,200 owned by Dominion Energy (DE, formerly Dominion Virginia Power). Since 2010, the County has been deploying intelligent Light Emitting Diode (LED) streetlight technology throughout the County. The smart LED lights have improved energy efficiency and reliability when compared to the prior technology. These newer lights offer improved functionality as they can be remotely monitored and controlled from a central system. The lights are programmed for dimming and can even be used to support emergency evacuation.

The LED conversion of County-owned streetlights is almost complete. The conversion of Dominion Energy’s streetlights began in FY 2021 and will be executed over 5 years.

No new PAYG funding is allocated in FY 2022 as adequate prior year funds are available to continue executing the program.

- **Transportation Systems and Traffic Signals** **\$-**
The Transportation Systems and Traffic Signals program improves the infrastructure, safety, and operations of the various traffic control devices throughout the County. Overall, the program funds (1) signalized intersection rebuilds and new construction; (2) operational analysis and improvements such as signal optimization; (3) safety and accessibility improvements at signalized intersections such as ADA ramp construction and accessible pushbutton installation; and (4) upgrades to system components such as controllers, detection, backup power, LED signal replacement, and emergency vehicle pre-emption. No new PAYG funding is allocated in FY 2022 as adequate prior year funds are available to continue executing the program.

- **Intelligent Transportation System (ITS) Device Replacement** **\$-**
The County's Intelligent Transportation System (ITS) includes a comprehensive fiber network for communications and ITS components, such as camera detection for traffic signals, over 200 CCTV cameras and automated count stations. However, the variety of devices in use throughout the County requires a special set of technical skills, including extensive knowledge of technical capabilities, supply chain, and networking that is unavailable in the County workforce. Thus, the County requires on-call contractor support to maintain ITS equipment to meet reliability and performance expectations. This program provides the County the flexibility to maintain a highly reliable and functional portfolio of ITS devices. No new PAYG funding is allocated in FY 2022 as adequate prior year funds are available to continue executing the program.

- **Parking Meters** **\$-**
This program enables the County to modernize and maintain its parking-meter equipment. This program replaces both multi-space and modern single-space meters as they reach the end of their useful operating life. In some instances, components are replaced to prolong equipment life. This reduces the likelihood of meter failures, thereby improving customer satisfaction, preserving revenue, and reducing operating maintenance costs. No new PAYG funding is being requested in FY 2022 as adequate existing funds are available.

- **Trail Lighting** **\$-**
There are approximately 10 miles of commuter trails and 100 trail lights in the County that DES maintains. DES is responsible for minor repairs such as bulb changes, splicing of wires, fuse replacements, repairing and cleaning of globes, power failures, leaning poles, fixture replacements (single) and, knocked-down poles. Any major repairs on off- road trails are carried out by Parks and Recreation under the Trail Modernization Program. No new PAYG funding is allocated in FY 2022 as adequate prior year funds are available.

Transportation Multi-Modal Programs **\$110,000**

The transportation multi-modal program provides accessibility and various options for movement throughout the County and the rest of the region. This is achieved by providing a high-quality transit system, a robust bicycle and pedestrian network, provisions for Shared Mobility Devices (SMDs), and effective transportation demand management approaches.

- **Bike Arlington** **\$60,000**
The BIKE Arlington program uses a variety of funding sources to make physical enhancements to Arlington's bicycle infrastructure, including trails and streets. The program's goal is to ultimately increase the number of riders and their riding frequency to make bicycle usage a more significant travel mode. PAYG funding is specifically used for multiple ongoing subprograms including bike parking, wayfinding signs, and counters. Bicycle parking involves rack installation in the public right of way and at public facilities. Funding for wayfinding signs helps fill gaps in the current

system (Four Mile Run and W&OD Trails, Columbia Pike, Shirlington, major north/south on-street bike corridors, etc.). Bicycle & Pedestrian automated counting technology funding allows the County to continue to operate our system of 40 trail and street counters. This data is used to track trail usage which helps guide investment, management, and maintenance activities. The data are available to the public on a dedicated page at BikeArlington.com.

This project is funded through a reallocation of existing transportation project balances.

- **Parking Technology** **\$-**
This project will support the upgrade of the residential permit parking program's (RPP) administration software, replacing an aging database system with one that is easier to administer, and will come with access to third-party support. No new PAYG funding is allocated in FY 2022 as adequate prior year funds are available to continue executing the program.

- **Transportation Asset Management – Traffic Data Management & Integration** **\$-**
Transportation assets include deployed assets such as signals and signs installed in the right-of-way, inventory assets housed in warehouses, and traffic data assets. This program helps the County to develop and maintain a management system that not only keeps records but also makes data more accessible and analytical. This includes the development of a central traffic database that can house both historic and recent transportation data, including but not limited to: volume counts, speeds, collisions, classification, and occupancy. The database will have the following capabilities: open data accessibility to staff and public; integration with the work order system; integration with County's Geographic Information System (GIS); integration with Cartegraph, the transportation asset management system, linkage to collision reports and traffic cameras; trend analysis; safety analysis; report and map generation; and system performance monitoring. This program will also help track and manage assets by integrating with the current inventory system associated with the County's warehouse storage facility. No new PAYG funding is allocated in FY 2022 as adequate prior year funds are available to continue executing the program.

- **Neighborhood Complete Streets** **\$50,000**
The Neighborhood Complete Streets (NCS) Program was established by the Arlington County Board in January 2016 to address safety and access problems on local (non-arterial) streets through physical improvement projects and ensure street design is compatible with surrounding land uses. The Program uses a variety of sources; PAYG funding allows for the continued implementation of tactical measures as an economical way to address some project locations, as well as test innovative treatments, two uses that are not eligible for transportation capital or bond funding. Examples of these tactical treatments include the use of pavement markings, bollards and signs to modify intersections, streets and crossings. This project is funded through a reallocation of existing transportation project balances.

Transportation Street Safety **\$250,000**

In July 2019, the County Board adopted the "Vision Zero Resolution." The resolution identified safety as a priority and called for eliminating fatal and severe injury crashes. While safety is considered in almost all street improvement projects, this is a dedicated program to address safety as the focus.

- **Street Safety Improvements** **\$250,000**
The Street Safety Improvement (SSI) Program will implement safety improvements at intersections and streets for pedestrians, shared mobility device (SMD) users, bicyclists, transit riders, or motorists as determined through a comprehensive investigation, including crash

analysis. Improvements will include signage, pavement markings, and other types of delineation to achieve greater separation and awareness of pedestrians and bicyclists. Minor changes to the curb may also be included. Locations demonstrating high crash rates will be a priority. Potential projects include installing protected bike lanes or separated bike lanes on arterial and principal neighborhood streets, pedestrian crossing enhancements across arterial and principal neighborhood streets, SMD parking corrals, minor lighting upgrades, and enhancements around high-conflict areas such as locations with high transit ridership. This project is funded through a reallocation of existing transportation project balances.

Facilities Maintenance Capital Program

\$1,650,000

Arlington County operates more than 90 public facilities, including office buildings, fire stations, recreation centers, courts, and more. The Facilities Maintenance Capital Program is a collection of major facility maintenance projects designed to keep County facilities operating in a safe, efficient, and reliable manner. This program and the Facilities Design and Construction Program are closely integrated to maintain and improve the portfolio of County facilities based on the life cycle of assets.

- **Detention Facility – Ventilation System Replacements** **\$625,000**
 This funding is for design and construction of the replacement of the ventilation systems in the medical unit and loading dock. These systems have reached the end of their useful lives and are requiring more frequent repairs and have failure potential which would require closure of those areas. This project is funded through a reallocation of existing PAYG program project balances.
- **Court Square West – Structural Concrete Repairs** **\$500,000**
 This project is to repair concrete beams and slab in the garage of the facility. These structural cracks need to be addressed to maintain a safe environment. This project is funded through a reallocation of existing PAYG program project balances.
- **Fire Station 2 – HVAC Replacement** **\$325,000**
 This funding will replace HVAC components (rooftop units, exhaust fans) that have reached the end of their useful lives. The building automation system (BAS) will also be replaced at the facility.
- **Fire Station 5 – HVAC Replacement** **\$200,000**
 The five rooftop units (RTUs) and three pumps for the first floor HVAC system at Fire Station 5 will be replaced with this project. The equipment has reached the end of its useful life and replacement will end frequent repairs and potential failure of the equipment. The total project budget is \$300,000; the additional \$100,000 will be required during the upcoming CIP.

Critical Systems Infrastructure (CSI)

\$160,000

There are several facilities throughout the County that are essential to the operations of Public Safety and First Responders. The intent of the CSI program is to centralize the monitoring and maintenance of the building systems for these 24/7/365 mission critical facilities.

- **24th Street N Emergency Communications Facility Structural Repairs** **\$160,000**
 This project is to provide structural concrete repairs to the building foundation to fix cracking due to water infiltration. In addition, the project scope includes the replacement of the generator and transfer switch which are at the end of their useful lives.

Facilities Design and Construction Program **\$194,000**

The Facilities Design and Construction Program maintains and modernizes current County facilities, and also plans for the County's future facility needs. The program is integrated with the Facilities Maintenance Capital program in planning for periodic renovations and eventual replacement of obsolete facilities at the appropriate points in the life cycle.

- **Master Planning and Feasibility Studies** **\$134,000**
This ongoing program funds studies of the County's short-, intermediate-, and long-term facility and space planning needs by outside experts. These studies enable the County to thoughtfully manage current facilities, properly scope future capital improvement projects, and accurately estimate future cost impacts in facilities across the community.

- **Fire Station 10** **\$60,000**
This project funds County staff personnel costs to manage the construction of the new Fire Station 10, occupying the first two stories of a new mixed-use building in Rosslyn. The more than \$20M construction portion of this project is funded by local developer contributions, so the only cost for the fire station borne by the County is this staff time, budgeted as \$60,000/year over five years (\$300,000 total). FY 2022 is year five of this project and it is currently on schedule for planned completion in FY 2022.

- **Americans with Disabilities Act (ADA) Remediation** **\$-**
This ongoing program funds small-to-medium sized construction projects at County facilities to improve accessibility for people with disabilities, in accordance with the Americans with Disabilities Act (ADA). The initial Phase 1, ADA improvements for the Arlington County Detention Center are in design and construction is anticipated to begin late Spring - early Summer 2021. No new PAYG funding is allocated in FY 2022 as adequate prior year funds are available.

Parks Maintenance Capital Program **\$3,601,000**

Arlington County currently maintains an extensive inventory of park and recreation assets on approximately 942 acres of parkland, including playgrounds, athletic fields, athletic courts, field and court lighting, picnic shelters, comfort stations, site furnishings, parking lots, and other assets. The Parks maintenance capital program provides capital funding to maintain these valuable assets by proactively replacing inefficient and outmoded infrastructure and preventing premature failure.

- **Capital Asset Manager** **\$165,000**
This funding is for the staff position that manages the Parks Capital Asset Program.

- **Parks Field Fund** **\$125,000**
The Parks field fund is supported by an annual fee assessed on official affiliated youth and adult sports teams playing on Arlington County rectangular and diamond fields. The fees assessed for rectangular fields are directed to support replacement and construction of synthetic turf fields in the County (\$75,000). The fees assessed on diamond fields (\$50,000) are to be used each year for specific diamond field enhancements, such as improved irrigation, batting cages or accelerated sod replacement. The FY 2022 PAYG budget reflects the projected annual revenue from the fees.

- **Feasibility Studies** **\$134,000**
These funds will provide the ability to conduct timely and relevant analysis and studies as opportunities arise. The program is meant for new planning initiatives that are outside of the scope of adopted CIP projects. Examples include potential planning and analysis needs for parks and sites associated with site plan proposals, Arlington Public Schools proposals, or affordable housing proposals.
- **Capital Assessment Tool** **\$200,000**
This funding is for a consultant three year review and update of DPR's capital asset inventory listing. This is the third and final year of the project.
- **Bluemont Tennis Court Design** **\$1,282,000**
This work is for the design of the tennis courts, court lighting, restroom building, picnic shelter, parking lot, site amenities, walkways, landscaping, stormwater and other associated park amenities at Bluemont Park.
- **Alcova Heights Phase Two Construction** **\$1,695,000**
This project is for the construction of Phase Two of the redevelopment of the entire Alcova Heights Park which includes accessibility renovations to the restroom building, replacement of the basketball court and associated walkway, signage and landscaping improvements. Project design costs were funded in Phase One and are complete.

Synthetic Turf Program **\$1,262,000**

The synthetic turf program is largely focused on replacement of existing synthetic turf fields that are approaching the end of their useful life. The total funding for the Synthetic Turf Program is \$1.53 million with \$268,000 being financed for the Rocky Run Synthetic Turf Replacement project. See the short-term finance section for project details.

- **Thomas Jefferson Upper Field Conversion** **\$773,000**
This project includes the design and construction for conversion of the upper field at Thomas Jefferson field from grass to synthetic turf. Work includes sitework, new synthetic turf, infill and subbase, and new site improvements.
- **Barcroft Park Field** **\$489,000**
This project funds the design and construction of the synthetic turf replacement at Barcroft Park. Work includes replacement of synthetic turf and infill and repairs to the substructure. This project is funded through a reallocation of existing parks project balances.

Technology **\$1,629,285**

The technology section includes both enterprise-wide and program specific projects. The projects are funded between both PAYG funds and short-term financed dollars. The PC replacement program totals \$2,121,000 with \$2,096,715 being funded through short-term financing. See the short-term finance section for project details.

- **DHS Child Welfare Purchase of Service Software** **\$300,000**
This project is to replace the current staff supported and maintained system in operation since 1995. At 25 years old, the system is beyond its useful life and is not capable of meeting changing programmatic or reporting requirements. The system connects the department with third party service providers to manage the authorization and payment of adoption and foster care services purchased on behalf of eligible children and families. This is the first year of a two-year project. The total cost for the system is anticipated to be \$1.25 million. The FY 2022 funding is for initial planning and procurement of the system and the balance of funding (\$950,000) will be funded as part of the FY 2023 budget.

This project was approved in the FY 2021 Adopted Budget for \$500,000. Due to staffing resources this project was deferred until FY 2022. The project funding level in FY 2022 is \$300,000 and aligns with the funding needed to execute the project in the first year of a multi-year project.

- **Day Care Center & in-Home Child Care Licensing System** **\$250,000**
This funding will acquire a comprehensive, integrated, day care center and in-home child care licensing management system for Arlington County Department of Human Services. This system will support child care licensing operations and serve as a portal for clients, parents and the public. The management system will include components for program inspections, document management, program enrollment and waitlist management, and staff training. This is the first year of a two-year project. The total cost for the system is \$550,000. The FY 2022 funding of \$250,000 is for initial planning and procurement of the system and the balance of funding (\$300,000) will be requested as part of the FY 2023 budget.
- **PC Systems and Services (previously Endpoint Replacement)** **\$24,285**
This program supports the cyclical replacement and refreshment of end user computing devices that have reached the end of their usable life. End user devices have a usable life of three years or four years, depending on device type. The total FY2022 funding for PC systems and services is \$2,121,000 with \$2,096,715 being funded through short-term financing and \$24,285 being funded through reallocated PAYG project balances within the technology program.
- **Network Equipment & Power Systems** **\$90,000**
These funds are for maintenance and/or refreshment of small uninterruptible Power Systems in County facilities which are not currently part of the County's maintenance agreement and refreshment plan. Once the systems are replaced, they will be added to the larger maintenance agreement. This project is funded through a reallocation of existing technology project balances.
- **Server Hardware Refreshment and Data Storage** **\$965,000**
These funds will be used to replace server equipment that have reached or exceeded the end of their useful life. These systems are required to support critical line of business applications. Refreshment of data storage hardware that have reached the end of their useful life are funded at \$695,000. An additional \$270,000 is included for data storage. This project is funded through a reallocation of existing technology project balances.

Public Safety **\$133,000**
The public safety section includes key system and asset replacements on a reasonable life cycle. The projects are funded between both PAYG funds and short-term financed dollars. The total public safety program is \$8.143 million, with \$8 million included in short-term financing. See the short-term finance section for project details.

▪ **Electronic Summons System** **\$133,000**

In FY 2015, the County began assessing a \$5.00 fee as part of the costs each criminal or traffic case in the district or circuit courts to purchase and implement an electronic summons system. With an electronic summons system, citation data would be automatically scanned and electronically entered at the point of activity, improving efficiency and accuracy in the processing of issued citations for Courts and Police personnel. Once the citation is complete, the transaction data would be sent electronically to the Court's case management systems, allowing violators to prepay their fines promptly and aid the Courts in managing their dockets while tracking their caseloads. The costs of the system include the software and hosting costs, peripheral equipment such as handheld devices and portable printers, installation, training and system maintenance. The FY 2022 PAYG budget reflects the projected annual revenue from the fees. The e-summons system will be implemented in early CY 2021. The balance of existing revenue and future revenue will be used to fund software, hardware and equipment costs associated with maintaining the system as allowed by State Code.

Neighborhood Conservation **\$500,000**

This ongoing program funds a diverse set of infrastructure construction projects across the community. Since the 1960s, Arlington residents and civic associations have collaborated with the County to identify and plan infrastructure projects in their own neighborhoods. These projects have included everything from street light installation to street intersection reconfiguration to tree and landscape restoration to new sidewalk, curb, and gutter. The total program budget for Neighborhood Conservation includes \$2 million in authorized unissued GO bond balances that fund the construction projects. Those dollars are included in the GO bond section and the projects are listed in the Capital Program Projects Lists section.

ConnectArlington (GO Bonds) **\$685,000**

Connect Arlington (CA) is a fiber-optic, high-speed, dedicated network that links County and Schools buildings, ensuring that the government, the schools and the community will benefit as demand for digital services continually increases over the long term. It covers approximately 70 route miles and currently connects 90+ structures, roughly, half of which are County facilities and the other half are County Schools. CA also supports the County's advanced traffic signals, video surveillance, and certain utilities. This project is funded through a reallocation of existing GO bond balances.

Capital Contingency/Administration **\$719,770**

The FY 2022 proposed budget continues funding for administrative support of capital projects tracking, reporting and procurement in the Department of Management and Finance (\$270,000). Remaining balances (\$449,770) are one-time contingency funds for unplanned or unforeseen issues.

GENERAL CAPITAL PROJECTS FUND

FUND STATEMENT

	FY 2020 ACTUAL	FY 2021 ADOPTED	FY 2021 RE-ESTIMATE	FY 2022 PROPOSED
ADJUSTED BALANCE, JULY 1	\$118,049,464	\$79,718,482	\$110,636,829	\$75,636,829
REVENUES:				
Commonwealth of Virginia	364,389	-	-	-
Federal Government	245,562	-	-	-
City of Falls Church	-	-	-	-
Charges for Services	3,934,500	-	-	-
Miscellaneous Revenue	1,522,727	-	-	-
Proceeds from Lease Purchase	3,220,352	-	-	-
Proceeds for bond premium	189,686	-	-	-
Proceeds from line of credit	6,837,029	-	-	-
TOTAL REVENUE	16,314,245	-	-	-
Transfers In (Ongoing)	6,786,074	3,832,227	3,832,227	1,180,133
Transfers In (One-time)	21,256,092	-	-	-
TOTAL TRANSFERS IN (OUT)	28,042,166	3,832,227	3,832,227	1,180,133
TOTAL BALANCE, REVENUES AND TRANSFERS IN	162,405,875	83,550,709	114,469,056	76,816,962
EXPENDITURES:				
Capital Projects - Current Year	51,769,046	3,832,227	3,832,227	1,180,133
Capital Projects - Carry-Over	-	35,000,000	35,000,000	35,000,000
TOTAL CAPITAL EXPENDITURES	51,769,046	38,832,227	38,832,227	36,180,133
BALANCE, JUNE 30	\$110,636,829	\$44,718,482	\$75,636,829	\$40,636,829

Most capital projects span multiple years, from design to construction completion. The FY 2020 Actual and FY 2021 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 2022 Proposed budget column is presented in a similar fashion to show planned execution of projects in the fiscal year. These are based on preliminary plans and design and construction schedules.

WHAT ARE BONDS?

Municipal bonds are debt securities the County sells to generate funding for capital investments that will then be paid back over time. When investors purchase County bonds, it is a debt that the County will repay in one or more years with interest. The County's regular payments to bond investors are called "debt service." The bond funding of capital investments operates under the principle of "inter-generational equity." Debt service is spread over multiple years in line with the useful life of an asset. This allows those residents who may benefit from the project over time to pay for it. There are many different types of bonds, which are primarily distinguished by the security backing them. The County primarily issues General Obligation (GO) bonds and subject-to-appropriation bonds. GO bonds are backed by the full faith and credit of the County, which is the strongest backing a municipal bond can have. Subject-to-appropriation bonds are secured by an annual appropriation of revenues sufficient to pay debt service. Due to this lack of the full faith and credit pledge, they typically carry a lower credit rating.

HOW DOES THE COUNTY ISSUE BONDS?

In Arlington County, the primary type of bond issued is a general obligation bond. Residents must first approve one or more bond referendum(s) permitting the sale of general obligation bonds for capital projects identified in the County's Capital Improvement Plan (CIP). The County seeks approval for these referenda as part of regular elections, generally in November of even numbered years. If residents approve a bond referendum, then the County will include one or more projects approved under each referenda in a future sale of general obligation bonds based on each project's cashflow needs. The specific amounts of the bonds to be sold for each capital project are determined as part of the County's CIP. Typically, the County's CIP has a 10-year "planning horizon," which includes an adopted capital budget for the first year and nine forecasted future planning years. A bond referendum typically covers bond funded projects that are scheduled to begin in the first two fiscal years of a CIP. Unfortunately, the economic challenges caused by the COVID-19 pandemic in FY 2020 and FY 2021 created revenue volatility such that the County felt it prudent to shorten the length of the planning cycle. For FY 2021, the County adopted a one-year CIP with the exception of the stormwater fund and the Arlington Public Schools CIP.

GO BONDS AND THE CAPITAL IMPROVEMENT PLAN

The CIP is a planning document that identifies the capital needs of the community over a ten-year period. GO bond financing is one component of the overall funding plan in the CIP and is generally used to finance capital projects with average useful lives of more than 10 years, matching or exceeding the average maturity of the bonds issued. Full detail of the CIP can be found at <https://budget.arlingtonva.us/cip>.

Prior to FY 2020, GO bond funding was appropriated at the time of bond issuance, typically in the spring of each fiscal year. Consistent with other capital funds, the appropriation of general obligation (GO) bond funded projects is now included as part of the operating budget.

GENERAL OBLIGATION (GO) BONDS
GENERAL CAPITAL PROJECTS FUND

As individual projects approved in the CIP advance and become more defined, the timing of when the County sells its bonds to investors may shift from the adopted CIP to align with changes to the timing or cashflow needs of the project. The bond dollars identified on the following pages have been approved in previous CIP's and are proposed to be issued in FY 2022 for execution of the projects.

FY 2022 General Obligation Program Costs

Debt service on bonds issued in FY 2022 to finance the projects on the following pages will not begin until FY 2023 and will be included in that year's operating budget. The proposed FY 2022 debt service budget includes debt service on bonds issued or planned to be issued through FY 2021. The bonds and associated debt service adhere to the County's financial and debt management policies.

Fund	Program Area	General Obligation (GO) Bond Funding
314	Transportation	3,000,000
316	Neighborhood Conservation	2,000,000
Total FY 2022 GO Bond Funding		\$5,000,000

CAPITAL PROGRAM PROJECT LISTS
GENERAL CAPITAL PROJECTS FUND

Transportation Capital Program FY 2022 Capital Program Project List	
Project Name - Description	PAYG
Bridge Maintenance - This is an ongoing program that provides funds to continue inspection, maintenance and rehabilitation of 36 vehicular and pedestrian bridges in Arlington County in order to assure an adequate level of safety for pedestrians and vehicular traffic.	788,000
Street Lighting Management - This is an ongoing program that converts County-owned and Dominion Energy streetlights to smart LED lights throughout the County.	-
Transportation Systems and Traffic Signals - The Transportation Systems and Traffic Signals program improves the infrastructure, safety, and operations of the various traffic control devices throughout the County.	-
Intelligent Transportation System (ITS) Device Replacement - The County's Intelligent Transportation System (ITS) includes a comprehensive fiber network for communications and ITS components, such as camera detection for traffic signals, over 200 CCTV cameras and automated count stations.	-
Parking Meters - This program enables the County to modernize and maintain its parking-meter equipment.	-
Trail Lighting - There are approximately 10 miles of commuter trails and 100 trail lights in the County that DES maintains.	-
Bike Arlington - The BIKE Arlington program uses a variety of funding sources to make physical enhancements to Arlington's bicycle infrastructure, including trails and streets.	60,000
Parking Technology - This project will support the upgrade of the residential permit parking program's (RPP) administration software, replacing an aging database system with one that is easier to administer, and will come with access to third-party support.	-
Transportation Asset Mgmt.-Traffic Data Mgmt. & Integration - Transportation assets include deployed assets such as signals and signs installed in the right-of-way, inventory assets housed in warehouses, and traffic data assets.	-
Neighborhood Complete Streets - This ongoing program is to address safety and access problems on local (non-arterial) streets through physical improvement projects and to ensure street design is compatible with surrounding land uses.	50,000
Street Safety Improvements - The Street Safety Improvement (SSI) Program will implement safety improvements at intersections and streets for pedestrians, small mobility device (SMD) users, bicyclists, transit riders, or motorists as determined through a comprehensive investigation, including crash analysis.	250,000

CAPITAL PROGRAM PROJECT LISTS
GENERAL CAPITAL PROJECTS FUND

Transportation Capital Program FY 2022 Capital Program Project List, cont'd				
GO Bond Referenda Year	Project Name - Description	PAYG	GO Bond	TOTAL
<p>Paving Program: The County currently maintains 1,059 lane miles of roadway by a combination of resurfacing, rebuilding and slurry seal maintenance. The inventory of streets is as follows: 25 percent are arterial streets, 11 percent are collector streets and 64 percent are residential streets. The Pavement Condition Index (PCI) is updated annually and Arlington's average PCI is currently 75.3. The County uses a variety of strategies to maintain streets as detailed below.</p>				
2020	Hot Mix Overlay - Paving has been increased to 75 lane miles annually. This includes about three lane miles of streets without curb and gutter.	754,000	3,000,000	3,754,000
	Slurry Seal - Slurry Seal extends the life of pavement on residential streets at a much lower per square yard cost.	350,000	-	350,000
	Microsurfacing - Microsurfacing extends the life of pavement for arterial streets at a lower per square yard cost.	400,000	-	400,000
Total Transportation Capital Program		\$2,652,000	\$3,000,000	\$5,652,000

CAPITAL PROGRAM PROJECT LISTS
GENERAL CAPITAL PROJECTS FUND

Facilities Maintenance Capital Program FY 2022 Capital Program Project List	
Project Name - Description	PAYG
Detention Facility Ventilation Systems - This funding is for design and construction of the replacement of the ventilation systems in the medical unit and loading dock. These systems have reached the end of their useful lives and are requiring more frequent repairs and have failure potential which would require closure of those areas.	625,000
Court Square West Structural Concrete Repairs - This project is to repair concrete beams and slab in the garage of the facility. These structural cracks need to be addressed to maintain a safe environment.	500,000
Fire Station 2 HVAC Replacement - This funding will replace HVAC components (rooftop units, exhaust fans) that have reached the end of their useful lives. The building automation system (BAS) will also be replaced at the facility.	325,000
Fire Station 5 HVAC Replacement - The five rooftop units (RTUs) and three pumps for the first floor HVAC system at Fire Station 5 will be replaced with this project. The equipment has reached the end of its useful life and replacement will end frequent repairs and potential failure of the equipment. The total project budget is \$300,000; the additional \$100,000 will be required during the upcoming CIP.	200,000
Critical Systems Infrastructure - 24th Street N Emergency Communications Facility Structural Repairs - This project is to provide structural concrete repairs to the building foundation to fix cracking due to water infiltration. In addition, the project scope includes the replacement of the generator and transfer switch which are at the end of their useful lives.	160,000
Total Facilities Maintenance Capital Program	\$1,810,000

CAPITAL PROGRAM PROJECT LISTS
GENERAL CAPITAL PROJECTS FUND

Facilities Design and Construction Program FY 2022 Capital Program Project List	
Project Name – Description <i>projects with a \$0 are being funded with previous year balances</i>	PAYG
Facility Master Planning and Feasibility Studies - This ongoing project funds studies of the County's short-, intermediate-, and long-term facility and space planning needs by outside experts. These studies enable the County to thoughtfully manage current facilities, properly scope future capital improvement projects, and accurately estimate future cost impacts in facilities across the community (\$134,000).	134,000
Fire Station 10 Project Management - This project funds County staff personnel costs to manage the construction of the new Fire Station 10, occupying the first two stories of a new mixed-use building in Rosslyn. The more than \$20M construction portion of this project is funded by local developer contributions, so the only cost for the fire station borne by the County is this staff time, budgeted as \$60,000/year over five years (\$300,000 total). FY 2022 is year five of this project and it is currently on schedule for planned completion in FY 2022.	60,000
ADA Remediation - This ongoing program funds small-to-medium sized construction projects at County facilities to improve accessibility for people with disabilities, in accordance with the Americans with Disabilities Act (ADA). The initial Phase 1, ADA improvements for the Arlington County Detention Center are in design and construction is anticipated to begin late Spring - early Summer 2021.	-
Total Facilities Design and Construction Capital Program	194,000

CAPITAL PROGRAM PROJECT LISTS
GENERAL CAPITAL PROJECTS FUND

Parks Program FY 2020 Capital Project List	
Project Name - Description	PAYG
Capital Asset Manager – Staff resources to manage the Parks Capital Asset Program.	165,000
Field Fund Program – The Parks field fund is supported by an annual fee assessed on official affiliated youth and adult sports teams playing on Arlington County rectangular and diamond fields. The fees assessed for rectangular fields are directed to support replacement and construction of synthetic turf fields in the County (\$75,000). The fees assessed on diamond fields (\$50,000) are to be used each year for specific diamond field enhancements, such as improved irrigation, batting cages or accelerated sod replacement. The FY 2022 PAYG budget reflects the projected annual revenue from the fees.	125,000
Feasibility Studies – These funds will provide the ability to conduct timely and relevant analysis and studies as opportunities arise. The program is meant for new planning initiatives that are outside of the scope of adopted CIP projects. Examples include potential planning and analysis needs for parks and sites associated with site plan proposals, Arlington Public Schools proposals, or affordable housing proposals.	134,000
Capital Assessment Tool (Year 3 of 3) - This funding is for a consultant three year review and update of DPR's capital asset inventory listing. This is the third and final year of the project.	200,000
Bluemont Tennis Courts Design - This work is for the design of the tennis courts, court lighting, restroom building, picnic shelter, parking lot, site amenities, walkways, landscaping, stormwater and other associated park amenities at Bluemont Park.	1,282,000
Alcova Heights Phase 2 Construction - This project is for the construction of Phase two of the redevelopment of the entire Alcova Heights Park which includes accessibility renovations to the restroom building, replacement of the basketball court and associated walkway, signage and landscaping improvements. Project design costs were funded in Phase One and are complete.	1,695,000
Barcroft Park Synthetic Turf Replacement - This project funds the design and construction of the synthetic turf replacement at Barcroft Park. Work includes replacement of synthetic turf and infill and repairs to the substructure. This project is funded through a reallocation of parks program balances.	489,000
Thomas Jefferson Upper Field Conversion - This project includes the design and construction for conversion of the upper field at Thomas Jefferson field from grass to synthetic turf. Work includes sitework, new synthetic turf, infill and subbase and, new site improvements.	773,000
Tota Parks and Recreation Capital Program	\$4,863,000

CAPITAL PROGRAM PROJECT LISTS
GENERAL CAPITAL PROJECTS FUND

Information Technology Program FY 2022 Capital Project List	
Project Name - Description	PAYG
DHS Child Welfare Purchase of Service Software - This project is to replace the current staff supported and maintained system in operation since 1995. At 25 years old, the system is beyond its useful life and is not capable of meeting changing programmatic or reporting requirements. The system connects the department with third party service providers to manage the authorization and payment of adoption and foster care services purchased on behalf of eligible children and families. This is the first year of a two-year project. The total cost for the system is \$1.25 million. This project was approved in the FY21 Adopted Budget for \$500,000 and was deferred due to staffing levels. This year, the request is for \$300,000 instead to be more in line with available resources to execute the project.	300,000
Day Care Center & in-Home Child Care Licensing System - This funding will acquire a comprehensive, integrated, day care center and in-home child care licensing management system for Arlington County Department of Human Services. This system will support child care licensing operations and serve as a portal for clients, parents and the public. This is the first year of a two-year project. The total cost for the system is \$550,000.	250,000
PC Systems and Services - This program supports the cyclical replacement and refreshment of end user computing devices that have reached the end of their usable life (3-4 years depending on device type). The total FY 2022 funding for PC systems and services is \$2,121,000 with \$2,096,715 being funded through short-term financing and \$24,285 being funded through existing PAYG balances.	24,285
Network Power Systems - These funds are for maintenance and/or refreshment of small Uninterruptible Power Systems in County facilities which are not currently part of the County's maintenance agreement and refreshment plan. Once the systems are replaced, they will be added to the larger maintenance agreement. This project is funded through a reallocation of existing technology project balances.	90,000
Server Hardware Refreshment and Data Storage - These funds will be used to replace server equipment that have reached or exceeded the end of their useful life. These systems are required to support critical line of business applications. The FY 2022 costs are being funded through existing technology program balances.	965,000
Total Information Technology Capital Program	\$1,629,285

CAPITAL PROGRAM PROJECT LISTS
GENERAL CAPITAL PROJECTS FUND

Public Safety Capital Program FY 2022 Capital Project List	
Project Name - Description	PAYG
Electronic Summons System - In FY 2015, the County began assessing a \$5.00 fee as part of the costs of each criminal or traffic case in the district or circuit courts for the use of purchasing and implementation of an electronic summons system. The FY 2022 PAYG budget reflects the projected annual revenue from the fees. The system will be implemented in early CY 2021. The balance of existing revenue and future revenue will be used to fund software, hardware and equipment costs associated with maintaining the system as allowed by State Code.	133,000

Miscellaneous Technology Program FY 2022 Capital Project List	
Project Name - Description	GO Bonds
ConnectArlington - Connect Arlington (CA) is a fiber-optic, high-speed, dedicated network that links County and Schools buildings, ensuring that the government, the schools and the community will benefit as demand for digital services continually increases over the long term.	685,000

Neighborhood Conservation Program (NC) FY 2022 Capital Program Project List				
GO Bond Referenda Year	Project Name - Description	PAYG	GO Bond	TOTAL
	Project management funding to execute NC projects	500,000		500,000
2018	Street Improvement - N559-N. Oakland Street		200,000	200,000
2018	Streetlight - N557 -12th St N		200,000	200,000
2018	Streetlight - Z283-S. Oak, S. Ode, S. Orme Street		400,000	400,000
2018	Street Improvement - Z290-N. Monroe Street		1,200,000	1,200,000
Total Neighborhood Conservation Capital Program		\$500,000	\$2,000,000	\$2,500,000

The FY 2022 list of short-term financed projects will replace aged and critical technology infrastructure including public safety equipment and a synthetic turf field at the end of their useful life. The FY 2022 debt service budget of \$8.1 million is included in the General Fund Non-Department budget for short-term financing. This annual debt service budget level covers the financing costs (principal and interest) of the projects listed in the table.

FY 2022 Short-Term Financing Project Costs (\$ in 000's)

	Capital	Auto Fund	Total Funding
PC Systems & Services	2,097	-	2,097
Subtotal Enterprise Technology and Equipment	\$2,097	-	\$2,097
Mobile Data Computers	3,500	-	3,500
Fire Vehicles Replacements	-	4,300	4,300
Courtroom Technology for Body Worn Camera Program	210	-	210
Subtotal Public Safety	\$3,710	\$4,300	\$8,010
Community Center Fitness Equipment	100	-	100
Rocky Run Synthetic Turf Replacement	268	-	268
Subtotal Parks Programs	368	-	\$368
TOTAL Project Costs	\$6,175	\$4,300	\$10,475

Enterprise Technology and Equipment

\$2,096,715

Funding for the FY 2022 Enterprise Technology and Equipment program is for maintenance capital and hardware and application refreshment. Maintenance capital is for the ongoing replacement of aging computers, servers, networks and other equipment. The hardware and application refreshment category is to support and refresh software and management systems that provide the tools, capabilities, and processes that enable the County workforce to meet internal and external demands.

- PC Systems and Services (previously Endpoint Replacement) \$2,096,715**
 This program supports the cyclical replacement and refreshment of end user computing devices that have reached the end of their usable life. End user devices have a usable life of three years or four years, depending on device type. The total program funding is \$2,121,000, with a small portion coming from PAYG funds.

Public Safety **\$8,010,000**

The Public Safety program funds will be used to fund key projects that will keep existing information technology systems and fire apparatus refreshed or replaced on a reasonable life cycle so that the systems remain useful, operable, and responsive to public safety needs.

- **Mobile Data Computers & Infrastructure** **\$3,500,000**
 This funding will refresh public safety Mobile Data Computers (MDCs) and related infrastructure. There are a total of 400 computers in public safety vehicles that will be replaced, of which, 310 are used by the Police Department, 80 are used by the Fire Department, and 10 are used by the Sheriff’s Department. The computers are used to review dispatch incident data, run wanted checks on people, property or vehicles, to complete incident and crash reports, warrant and civil process data entry, and access applications such as In Car Camera, LPR and Sharepoint. The mobile data computers have a useful life of five years and were last replaced in FY 2017. Costs connected with the mobile data computers include replacement of approximately 300 vehicle docking stations. The infrastructure costs include servers, antennas, backup power supplies, diagnostic software, and installation.
- **Fire Apparatus** **\$4,300,000**
 In FY 2014, four class “A” pumpers, and one heavy rescue truck were replaced and have now reached the end of their eight-year useful life. The \$4,300,000 funding request will replace these five fire vehicles.
- **Courtroom Technology for Body Worn Camera Program** **\$210,000**
 These funds will be used to upgrade the technology in two courtrooms to support the Body Worn Camera program. There are two remaining courtrooms that will be upgraded in FY 2023. The Body Worn Camera program was implemented in January 2021. Ongoing costs to maintain courtroom technology are included in the FY 2022 Police Department operating budget.

Parks Program **\$368,000**

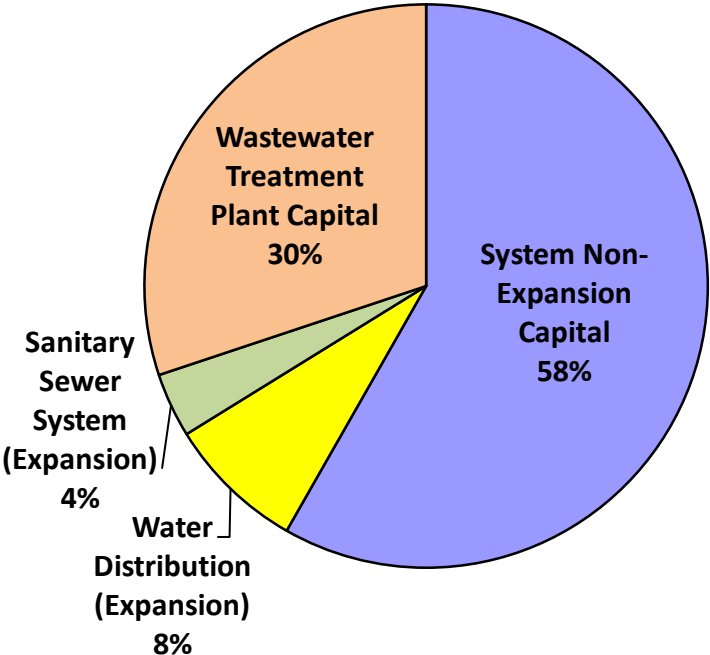
Funding for the FY 2022 Parks Program will be used to fund the replacement of an existing synthetic turf field that is approaching the end of its useful life and to proactively address facility equipment that is currently at or near the end of its life cycle.

- **Community Fitness Center Equipment** **\$100,000**
 This funding is for the purchase and proactive replacement of aging fitness equipment at Park and Recreation facilities that is at or near the end of its useful in order to avoid equipment failure.
- **Rocky Run Synthetic Turf Replacement** **\$268,000**
 These funds will be used for the design and construction for the replacement of the synthetic turf field. Work includes replacement of synthetic turf and infill and repairs to the substructure.

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 2022 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 2022 PROPOSED PAYG BUDGET SUMMARY

PROGRAM CATEGORY	AMOUNT
UTILITIES	
Wastewater Treatment Plant Capital	\$8,031,000
System Non-Expansion Capital	15,030,000
Water Distribution System Improvements (Expansion)	2,050,000
Sanitary Sewer System Improvements (Expansion)	954,000
Total Project Cost	26,065,000
Less: Infrastructure Availability Fees & Other Revenue	10,517,000
Net Utilities Funds Support	\$15,548,000

Note: Other revenue includes non-expansion interjurisdictional revenue of \$3,267,000 and interest income of \$350,000.

FY 2022 PROPOSED UTILITIES BUDGET

Wastewater Treatment Plant Improvements (Non-Expansion) \$8,031,000

- **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).
- **Solids Master Plan Phase 1 – Immediate Needs.** Immediate project needs to replace solids handling critical equipment that are failing, labor-intensive, and costly to maintain; this includes a suite of projects. The motor control center replacement at the Preliminary Treatment Building was complete in FY 2021. The bar screen and scum concentrator replacements are under design with construction expected to begin late FY 2021 and continue through FY 2022 (\$717,000).
- **Solids Master Plan Phase 2 – Intermediate Needs.** Projects that need to be completed in advance of Phase 3 which may involve additional equipment replacement or demolition of underutilized facilities in preparation for the Phase 3 construction (\$425,000).
- **Solids Master Plan Phase 3 – Class A Biosolids / Long Range Needs.** The Solids Master Plan will modernize solids treatment facilities and create opportunities for resource recovery. The plant currently produces an alkaline stabilized Class B biosolids product but is planning to produce Class A biosolids after the plan’s implementation. This phase implements the long-term solution to producing a Class A biosolids product. The Solids Master Plan was approved by the County Board in July 2018 with a commitment to continue to communicate with stakeholders and to collaborate with local utilities. In FY 2022, design is expected to continue for this multi-year construction program (\$298,000).

- **Technology Enhancements.** This program provides funding for the Plant's Process Control System (PCS) and other networked cybersecurity related initiatives. Several discrete projects have been identified as part of this program (\$750,000).
- **Asset Management and Work Order System Replacement.** The current asset management and work order system is nearing end of life, so this funding will be used to implement a replacement system (\$255,000).
- **Improvements to Eads St. Property.** Funding for improvements to a property near the Water Pollution Control Plant that the County purchased in March 2010. This facility serves as the plant's off-site warehouse (\$10,000).
- **Improvements to 31st St. Lot.** Funding for improvements to the vacant lot in the 500 block of 31st Street South. This project will expand the usable space in order to accommodate Arlington Transit's (ART) personal vehicle parking with the Plant's needs during upcoming construction of the Solids Master Plan Phase 3 projects (\$1,150,000).
- **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 (\$306,000).
- **Secondary Clarifiers.** Rehabilitation and / or replacement of secondary clarifiers 1, 2, and 3 is necessary to restore the tanks to full working condition and help assure compliance with the permit (\$510,000).
- **Odor Control Upgrades.** This project will design and construct improvements to the three odor control systems at the WPCP to address capacity, efficiency, and maintenance issues (\$550,000).
- **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 (\$1,060,000).

System Non-Expansion Capital

\$15,030,000

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. Infrastructure Availability Fees (IAF) charged to new users who increase demand 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 (\$5,000,000)
- Non-expansion inflow and infiltration sanitary sewer capital repairs and replacements (\$2,500,000)
- Large diameter sewer rehabilitation / replacement (\$1,700,000)
- Water main cleaning and re-lining projects (\$1,500,000)
- Water / sewer frames and covers (\$800,000)

- Sewer main replacement program (\$600,000)
- Manhole rehabilitation (\$500,000)
- Large diameter water main rehabilitation / replacement (\$450,000)
- Water Tank Rehabilitation (\$375,000)
- Small diameter valve rehabilitation and replacement (\$250,000)
- Large meter vault rehabilitation and replacement (\$200,000)
- Sewer force mains rehabilitation and replacement (\$50,000)
- Capital improvements at the Washington Aqueduct (\$1,105,000), 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) \$2,050,000

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 distribution system.

- Improvements for development (\$550,000)
- Pump station improvements (\$500,000)
- Source water reliability and interconnections (\$1,000,000)

Sanitary Sewer System Improvements \$954,000

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 (\$250,000)
- Spout Run (\$704,000)

TOTAL UTILITIES BUDGET \$26,065,000

UTILITIES CAPITAL PROJECTS FUND
FUND STATEMENT

	FY 2020 ACTUAL	FY 2021 ADOPTED	FY 2021 RE-ESTIMATE	FY 2022 PROPOSED
ADJUSTED BALANCE, JULY 1	\$49,966,423	\$26,066,423	\$49,418,608	\$35,001,608
REVENUES:				
Infrastructure Availability Fees	6,515,147	8,000,000	4,500,000	6,900,000
Sewage Treatment Service Charges	765,526	2,917,000	2,000,000	3,267,000
Interest	769,449	350,000	350,000	350,000
Misc. Revenue	516,430	-	-	-
TOTAL REVENUE	8,566,552	11,267,000	6,850,000	10,517,000
Transfers In:				
Transfer In from Utilities Operating Fund	14,190,500	12,155,000	12,155,000	15,548,000
TOTAL TRANSFERS IN	14,190,500	12,155,000	12,155,000	15,548,000
TOTAL BALANCE, REVENUES AND TRANSFERS IN	72,723,475	49,488,423	68,423,608	61,066,608
EXPENDITURES:				
Capital Projects - Current Year	20,179,000	23,422,000	23,422,000	26,065,000
Capital Projects - Carry-Over	2,871,848	16,495,000	10,000,000	7,412,000
TOTAL CAPITAL EXPENDITURES:	23,050,848	39,917,000	33,422,000	33,477,000
Transfers Out:				
Transfer Out to General Fund	254,019	-	-	-
TOTAL TRANSFERS OUT	254,019	-	-	-
BALANCE, JUNE 30	49,418,608	\$9,571,423	\$35,001,608	\$27,589,608

Most capital projects span multiple years, from design to construction completion. The FY 2020 Actual and FY 2021 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 2022 Proposed columns are presented in a similar fashion to show planned execution of projects in the fiscal year. These are staff's best estimates based on preliminary plans and design and construction schedules.