



APPROVED BUDGET

FY 2017

July 1, 2016 – June 30, 2017





Fiscal Year 2017 Approved Budget

Fausto R. Bayonet, Chair

Chris Lawson, Vice Chair

T. Eloise Foster, Commissioner

Omar M. Boulware, Commissioner

Howard A. Denis, Commissioner

Thomasina V. Rogers, Commissioner

Carla A. Reid, General Manager/CEO

ATTEST: Sheila R. Finlayson, Esq., Corporate Secretary

Pictured on our cover are the short-wavelength ultraviolet (UV) light disinfection contact chambers at our Potomac Water Filtration Plant. After water has been filtered it passes through the chambers where UV light disinfection provides an extra barrier of protection against chlorine resistant microbial pathogens such as Cryptosporidium and Giardia Lamblia by killing or inactivating the microorganisms. The Potomac plant was first placed in service in 1961 and serves customers in Montgomery and Prince George's County.



OUR MISSION:

We are entrusted by our community to provide safe and reliable water, life's most precious resource, and return clean water to our environment, all in an ethical, sustainable, and financially responsible manner.

**WASHINGTON SUBURBAN SANITARY COMMISSION
FISCAL YEAR 2017 APPROVED BUDGET**

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FISCAL YEAR 2017 APPROVED BUDGET**

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July 1, 2016

To The Honorable:

County Executives of Prince George's
and Montgomery Counties

Chair, President, and Members
of the County Councils of
Prince George's and Montgomery Counties

Elected Officials, Valued Customers, and Interested Citizens:

We are pleased to present the Washington Suburban Sanitary Commission's (WSSC's) Approved Budget for Fiscal Year (FY) 2017, which begins on July 1, 2016. The budget was adopted by the Commission on June 15, 2016. This document reflects a total budget of \$1.4 billion, including \$736.4 million for operating expenses and \$690.3 million for capital expenses.

This proposed budget reflects our continued mission to provide safe and reliable water, life's most precious resource, and return clean water to the environment, all in an ethical, sustainable, and financially responsible manner. The programs, goals, and objectives included in this budget seek to achieve the Commission's mission through the following strategic priorities:

- Sustain Infrastructure
- Ensure Financial Sustainability
- Optimize Workforce Management
- Integrate Supply Chain Management and Supplier Diversity
- Deliver Excellent Customer Service
- Ensure Security and Safety
- Enhance Communications and Stakeholder Relationships
- Demonstrate Environmental Stewardship

The Approved Budget includes a 3.0 percent increase to help us continue achieving critical objectives. It also includes the full phase-in of the Infrastructure Investment Fee. Specifically, the budget provides for:

- Funding the first year of the Fiscal Years 2017-2022 Capital Improvements Program;
- Complying with the Sanitary Sewer Overflow Consent Decree;
- Inspecting and monitoring our large diameter water main transmission system;
- Promptly paying \$261.4 million in debt service on \$2.8 billion in outstanding debt to WSSC bondholders;
- Meeting or surpassing all federal and state water and wastewater quality standards and permit requirements;
- Keeping maintenance service at a level consistent with the objective of arriving at the site of a customer's emergency maintenance situation within 2 hours of receiving the complaint and restoring service within 24 hours of a service interruption;
- Enhancing customer service through expanded investment in contact center operations;
- Paying the WSSC's share of operating (\$54.5 million in FY'17) and capital costs (\$86.3 million in FY'17; \$351.2 million in FY'17-FY'22) for the District of Columbia Water and Sewer Authority's Blue Plains Wastewater Treatment Plant;
- Funding for employee salary enhancements;
- Operating and maintaining a system of 3 reservoirs impounding 14 billion gallons of water, 2 water filtration plants, 6 wastewater treatment plants, 5,600 miles of water main, and 5,500 miles of sewer main 24 hours a day, 7 days a week;
- Continuing to make recommended safety and access improvements in our watershed;
- Maintaining an operating reserve of 10% of water and sewer revenues; and
- Funding the annual required contribution for non-retirement post-employment benefits based on Government Accounting Standards Board Statement No. 45.

Comparative Expenditures by Fund

	FY'16 Approved	FY'17 Approved	FY'17 Over / (Under) FY'16	% Change
<u>Capital Funds</u>				
Water Supply	\$266,623,000	\$317,309,000	\$50,686,000	19.0 %
Sewage Disposal	400,470,000	355,522,000	(44,948,000)	(11.2) %
General Construction	17,539,000	17,467,000	(72,000)	(0.4) %
Total Capital	684,632,000	690,298,000	5,666,000	0.8 %
<u>Operating Funds</u>				
Water Operating	303,163,000	320,236,000	17,073,000	5.6 %
Sewer Operating	390,502,000	396,782,000	6,280,000	1.6 %
General Bond Debt Service	21,508,000	19,364,000	(2,144,000)	(10.0) %
Total Operating	715,173,000	736,382,000	21,209,000	3.0 %
GRAND TOTAL	\$1,399,805,000	\$1,426,680,000	\$26,875,000	1.9 %

The FY'17 Approved Capital Budget of \$690.3 million represents an increase of \$5.7 million (0.8%) from the FY'16 Approved Budget. Included in this increase are funds to begin work associated with the newly issued Potomac Water Filtration Plant Consent Decree.

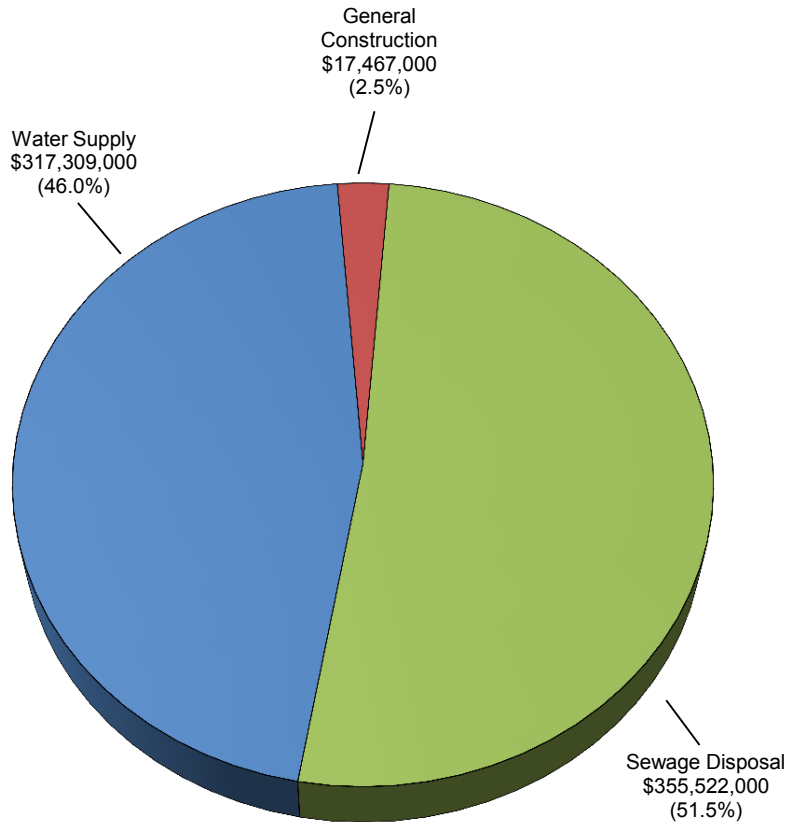
The FY'17 Approved Operating Budget of \$736.4 million represents an increase of \$21.2 million (3.0%) from the FY'16 Approved Operating Budget. The primary drivers of the increase in operating costs are water and sewer debt service, PAYGO financing of capital projects as recommended by the Bi-County Infrastructure Funding Working Group, cost increases associated with the IT Strategic Plan, salary enhancements and new workyears. These costs are partially offset by refundings that reduce general bond debt service expenses and cost decreases for bio-solids hauling.

In addition to reviewing expenses and revenues for water and sewer services, we have analyzed the cost and current fee levels for other WSSC services. Based upon these analyses, some new fees and adjustments to current fees have been approved. A listing of all fees and changes is included in Section 8.

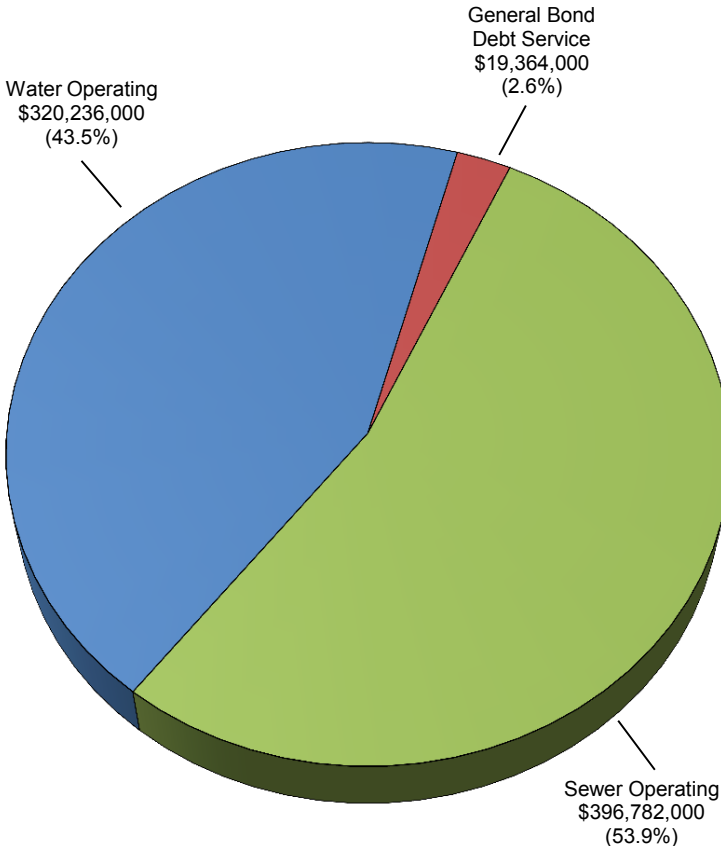
The Approved FY'17 Budget ensures that the WSSC will be able to maintain its commitment to provide safe drinking water, to ensure reliable service, and to safeguard the environment--all in a financially responsible manner. The Commission is proud to continue its tradition of innovation and excellence in serving the citizens of Prince George's and Montgomery Counties, a tradition that has been a hallmark of the WSSC for ninety-eight years.

FY 2017 APPROVED BUDGET BY FUND

CAPITAL = \$690,298,000



OPERATING = \$736,382,000



GRAND TOTAL = \$1,426,680,000

TABLE I

Comparative Expenditures by Fund

	FY'14 Actual	FY'15 Actual	FY'16 Approved	FY'17 Approved	FY'17 Over / (Under) FY'16
Capital Funds					
Water Supply	\$ 170,166,000	\$ 198,830,000	\$ 266,623,000	\$ 317,309,000	\$ 50,686,000
Sewage Disposal	346,043,000	353,417,000	400,470,000	355,522,000	(44,948,000)
General Construction	9,433,000	11,910,000	17,539,000	17,467,000	(72,000)
Total Capital	<u>525,642,000</u>	<u>564,157,000</u>	<u>684,632,000</u>	<u>690,298,000</u>	<u>5,666,000</u>
Operating Funds					
Water Operating	260,747,000	289,275,000	303,163,000	320,236,000	17,073,000
Sewer Operating	313,919,000	337,768,000	390,502,000	396,782,000	6,280,000
General Bond Debt Service	39,457,000	27,263,000	21,508,000	19,364,000	(2,144,000)
Total Operating	<u>614,123,000</u>	<u>654,306,000</u>	<u>715,173,000</u>	<u>736,382,000</u>	<u>21,209,000</u>
GRAND TOTAL	<u><u>\$ 1,139,765,000</u></u>	<u><u>\$ 1,218,463,000</u></u>	<u><u>\$ 1,399,805,000</u></u>	<u><u>\$ 1,426,680,000</u></u>	<u><u>\$ 26,875,000</u></u>

TABLE II

Comparative Expenditures by Major Expense Category

(\$ in Thousands)

Expense Categories	FY'15 Actual			FY'16 Approved			FY'17 Approved		
	Capital	Operating	Total	Capital	Operating	Total	Capital	Operating	Total
Salaries & Wages	\$ 27,502	\$ 100,722	\$ 128,224	\$ 26,503	\$ 111,964	\$ 138,467	\$ 28,667	\$ 114,718	\$ 143,385
Heat, Light & Power	-	24,229	24,229	-	23,353	23,353	-	23,581	23,581
Regional Sewage Disposal	-	54,485	54,485	-	54,895	54,895	-	54,501	54,501
Contract Work	307,160	-	307,160	421,992	-	421,992	442,324	-	442,324
Consulting Engineers	45,246	-	45,246	57,912	-	57,912	54,851	-	54,851
All Other	184,249	226,848	411,097	178,225	269,651	447,876	164,456	282,145	446,601
Debt Service	-	248,022	248,022	-	255,310	255,310	-	261,437	261,437
TOTAL	\$ 564,157	\$ 654,306	\$ 1,218,463	\$ 684,632	\$ 715,173	\$ 1,399,805	\$ 690,298	\$ 736,382	\$ 1,426,680

TABLE III

FY 2016 - FY 2017 Summary of Revenue & Expenses

(\$ in Thousands)

	Water Operating Fund		Sewer Operating Fund		General Bond Debt Service Fund		Capital Funds	
	2016	2017	2016	2017	2016	2017	2016	2017
	Approved	Approved	Approved	Approved	Approved	Approved	Approved	Approved
REVENUES								
Water Consumption Charges	\$ 251,636	\$ 255,054	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sewer Use Charges	-	-	331,739	324,182	-	-	-	-
Front Foot Benefit & House Connection Charges (Deferred)	-	-	-	-	24,620	21,719	-	-
Account Maintenance Fees	16,187	16,276	16,187	16,276	-	-	-	-
Infrastructure Investment Fee	9,709	19,481	9,709	19,481	-	-	-	-
Interest Income	200	100	800	600	585	100	-	-
Miscellaneous	13,260	15,360	13,433	14,152	450	300	-	-
Use of Fund Balance								
Reserve Contribution	3,213	3,100	3,087	3,424	-	-	-	-
Other	7,745	7,862	7,532	11,664	8,500	9,800	-	-
Reconstruction Debt Service Offset	1,000	2,800	7,500	7,000	(8,500)	(9,800)	-	-
SDC Debt Service Offset	213	203	515	3	-	-	-	-
Bonds & Cash	-	-	-	-	-	-	554,205	571,371
Anticipated Contributions:								
Federal & State Grants	-	-	-	-	-	-	26,872	16,822
System Development Charge	-	-	-	-	-	-	80,327	77,978
Other	-	-	-	-	-	-	23,228	24,127
TOTAL REVENUES	\$ 303,163	\$ 320,236	\$ 390,502	\$ 396,782	\$ 25,655	\$ 22,119	\$ 684,632	\$ 690,298
EXPENSES								
Salaries & Wages	\$ 58,752	\$ 60,897	\$ 52,557	\$ 53,191	\$ 655	\$ 630	\$ 26,503	\$ 28,667
Heat, Light & Power	13,042	12,843	10,311	10,738	-	-	-	-
Regional Sewage Disposal	-	-	54,895	54,501	-	-	-	-
Contract Work	-	-	-	-	-	-	421,992	442,324
Consulting Engineers	-	-	-	-	-	-	57,912	54,851
Contribution to Required Reserve	3,213	3,100	3,087	3,424	-	-	-	-
All Other	112,477	127,384	130,080	124,037	1,117	1,105	178,225	164,456
Debt Service	106,435	105,305	129,139	138,503	19,736	17,629	-	-
PAYGO	9,244	10,707	10,433	12,388	-	-	-	-
TOTAL EXPENSES	\$ 303,163	\$ 320,236	\$ 390,502	\$ 396,782	\$ 21,508	\$ 19,364	\$ 684,632	\$ 690,298
Net Increase (Decrease) in Fund Balance	-	-	-	-	4,147	2,755	-	-
Fund Balance - July 1	\$ 22,054	\$ 14,309	\$ 118,346	\$ 110,814	\$ 56,796	\$ 52,443	\$ -	\$ -
Net Increase (Decrease) in Fund Balance	-	-	-	-	4,147	2,755	-	-
Use of Fund Balance	(7,745)	(7,862)	(7,532)	(11,664)	(8,500)	(9,800)	-	-
Fund Balance - June 30	\$ 14,309	\$ 6,447	\$ 110,814	\$ 99,150	\$ 52,443	\$ 45,398	\$ -	\$ -

TABLE IV

**Change in Ending Fund Balance
FY 2016 Projected Budget Compared to FY 2017 Approved
(\$ In Thousands)**

	FY 2016 Projected Ending Fund Balance	FY 2017 Approved Ending Fund Balance	Change in Fund Balance	% Change
Water Operating Fund	\$ 14,309	\$ 6,447	\$ (7,862)	-54.9%
Sewer Operating Fund	110,814	99,150	(11,664)	-10.5
General Bond Debt Service Fund	52,443	45,398	(7,045)	-13.4
Capital Fund	-	-	-	-
	<u>\$ 177,566</u>	<u>\$ 150,995</u>	<u>\$ (26,571)</u>	<u>-15.0%</u>

Explanation of Changes in Fund Balance Greater Than 10%

Water and Sewer Operating Funds – The FY 2017 approved ending fund balances are lower than the projected FY 2016 ending fund balances for the Water and Sewer Operating Funds. A majority of the change is due to planned use of fund balance to finance the fourth year of the IT Strategic Plan and one-time projects and expenses so that these costs are not permanently built into water and sewer rates.

General Bond Debt Service Fund – The FY 2017 approved ending fund balance is 13.4% lower than the projected FY 2016 ending fund balance for the General Bond Debt Service Fund. Revenues for this fund are derived from Front Foot Benefit and House Connection Charges. These types of mains and lines are now built by developers. The revenues that are currently collected are from prior assessments that are paid over a multi-year period. Surplus funds that have accumulated in the General Bond Debt Service Fund are transferred to the Water and Sewer Operating Funds to benefit all rate payers.

EXPLANATION OF THE BUDGET

CUSTOMER SUMMARY

This customer summary is designed to provide a quick overview of the WSSC budget for someone new to the Commission's budget process. Specifically, this section explains:

- The Commission's role,
- The Commission's powers and responsibilities,
- The Commission's fiscal and service policies,
- The budget's basis in state law,
- How the budget is formulated,
- Who is responsible for budget decisions,
- The Commission's fund structure,
- Key provisions of the FY'17 Budget,
- Funding sources, and
- Funding uses.

SECTION 1

EXPLANATION OF THE BUDGET

I. THE WASHINGTON SUBURBAN SANITARY COMMISSION

The Washington Suburban Sanitary Commission (WSSC) provides water and sewer services to nearly 1.8 million residents of Maryland's Montgomery and Prince George's Counties, which border Washington, D.C. Established by the Maryland General Assembly in 1918 as a regional (bi-County) organization under Article 29 and later recodified into Division II of the Public Utilities Article of the Annotated Code of Maryland, the WSSC ranks among the largest water and sewer utilities in the country encompassing a service area of nearly 1,000 square miles.

To fulfill its primary mission of providing safe and reliable water and returning clean water to the environment, WSSC operates and maintains an extensive array of highly automated facilities. Our two water filtration plants, drawing raw water from the Potomac and Patuxent rivers, are projected to produce an average of 164 million gallons of water per day in FY' 17 and deliver that water to homes and businesses in Montgomery and Prince George's Counties, serving over 450,000 customer accounts through a system of over 5,600 miles of water mains. To ensure a reliable water supply for all seasons and conditions, WSSC operates three reservoirs with a total capacity exceeding 14 billion gallons.

Sewage treatment is provided by six wastewater treatment plants operated by the WSSC, and the Blue Plains Wastewater Treatment Plant operated by the District of Columbia Water and Sewer Authority. In FY' 17 it is projected that an average of 217.5 million gallons of wastewater per day from Montgomery and Prince George's Counties will move to these facilities through approximately 5,500 miles of sewer lines maintained by WSSC. The six wastewater treatment plants owned by WSSC have a combined capacity of 95 million gallons per day (MGD). Blue Plains is a regional facility that services the District of Columbia and several northern Virginia jurisdictions as well as the WSSC. Under the Intermunicipal Agreement that governs this arrangement, the WSSC is allocated 169 MGD of Blue Plains' 370 MGD capacity. The WSSC, in turn, pays a proportionate share of Blue Plains' operating and capital expenses. All but one of these facilities (the Hyattstown plant) go beyond conventional wastewater treatment to provide "tertiary treatment" - advanced treatment processes which ensure that the quality of the treated wastewater is better than the quality of the natural water to which it is returned. Other WSSC responsibilities include promulgation and enforcement of plumbing and gasfitting regulations in suburban Maryland and participation in numerous environmental initiatives.

A six-member commission governs the WSSC - three members from each County. The Commissioners are appointed to four-year terms by their respective County Executives and confirmed by their County Councils.

EXPLANATION OF THE BUDGET

(Continued)

II. POWERS AND RESPONSIBILITIES

The Commission's powers and responsibilities are set forth in Division II of the Public Utilities Article of the Annotated Code of Maryland and in any subsequent legislative amendments. The Maryland General Assembly conferred these powers upon the WSSC to enable it to fulfill its principal functions:

- To provide for the construction, operation, and maintenance of water supply and sanitary sewerage systems in Montgomery and Prince George's Counties;
- To provide for the construction of water and sewer house connection lines from the Commission's mains to abutting property lines;
- To approve the locations of, and issue permits for, utilities installed in public ways; and
- To establish water consumption rates, sewer usage rates, connection charges, front foot benefit charges, and permit fees and, if required, to cause appropriate ad valorem taxes to be levied.

The Commission also:

- Reviews preliminary subdivision plats as to suitability of water and sewer design, and reviews street grades for those streets in which there are Commission facilities;
- Formulates regulations, issues permits for and inspects all plumbing and gasfitting installations; and
- Conducts examinations for master and journeyman plumbers and gasfitters, and issues licenses to those qualified to perform plumbing and gasfitting work.

EXPLANATION OF THE BUDGET

(Continued)

III. FISCAL AND SERVICE POLICIES

The Washington Suburban Sanitary Commission pursues the following fiscal and service policies. These policies are reviewed periodically and revised as necessary to support the Commission's long-term goals and strategic plans.

Long-Term Fiscal Policies

The WSSC adheres to the following long-term fiscal policies to preserve and strengthen its financial integrity:

- Conform, to the extent possible, to the County Councils' established spending affordability limits in preparing the capital and operating budgets.
- Employ conservative assumptions when forecasting revenues.
- Fund recurring expenditures from a stable stream of revenue, with minimal reliance on non-recurring (one-time) revenues or resources.
- Annually set user charges for water and sewer services at levels sufficient to ensure that revenues equal or exceed expenses in each fiscal year.
- Utilize an account maintenance fee to recover the fixed costs of servicing a customer's account - costs that are independent of the amount of water used or sewage generated by a customer. Such costs include purchasing and reading water meters; processing meter readings; generating, mailing, and collecting bills; and providing related customer services.
- Utilize an infrastructure investment fee to provide a dedicated source of funding for the debt service associated with the Commission's large and small diameter water and sewer pipe reconstruction programs.
- Regularly analyze expenditures for services other than basic water and sewer to ensure that miscellaneous fees and charges are sufficient to defray the cost of providing these services.
- Manage current assets to ensure reasonable interest income.

EXPLANATION OF THE BUDGET

(Continued)

- Maintain a reserve in the water and sewer operating funds equal to at least 10 percent of water and sewer charges to offset unanticipated variations in water and sewerage system revenues that may occur in future years.
- Ensure that the aggregate principal amount of bonds and notes issued by the Commission does not exceed the legislated allowable level of the total assessable tax base for all property assessed for County tax purposes within the Sanitary District, in conformance with state law governing the WSSC.
- Reduce water and sewer debt service as a percentage of the combined water and sewer operating budget through judicious use of PAYGO financing, use of accumulated net revenue (fund balance), reduction or deferral of planned capital expenditures, and other debt limitation strategies. Specific debt reduction actions should always be balanced against affordability considerations and the demands for the resources necessary to serve existing customers, meet environmental mandates, and build the facilities needed to support economic growth.
- Finance capital facilities needed to accommodate growth through a System Development Charge (SDC) on new development in order to maintain fair and equitable rates for water and sewer services to existing customers, while providing funds needed for growth-related capital expenditures.
- Utilize SDC revenue to pay the debt service on growth-related bonds issued since FY'94 (the first year of the SDC). Debt service on bonds issued to fund growth-related CIP projects in subsequent years (due to inadequate SDC revenue) will be paid from SDC revenues, if sufficient revenues exist, or from operating revenues, if SDC funds are not available.
- Preserve and improve services for current customers by employing an annual Systems Reconstruction Program that utilizes both capital and operating funds to reconstruct aging capital infrastructure.
- Employ surplus funds from refinancing General Bond Fund debt to pay a portion of the debt service for the Systems Reconstruction Program (this payment is referred to as the Reconstruction Debt Service Offset or REDO).
- Charge all debt service requirements for new water supply and sewage disposal bonds to operations in the first year incurred.
- Accelerate debt retirement to the extent possible.
- Finance all retirement plans in a manner that systematically funds liabilities, including current requirements as well as the amortization of unfunded liabilities.

EXPLANATION OF THE BUDGET

(Continued)

- Provide regular, updated six-year projections of the WSSC's operating and capital budgets - revenues and expenditures - to ensure that the Commission has the best possible knowledge of the impacts of contemplated actions and emerging conditions.
- Continue to improve and strengthen financial management and controls, while streamlining operations and increasing the efficiency and effectiveness of Commission programs and staff.
- Maintain full funding of the annual required contribution for Post-Employment Benefits Other Than Pensions (OPEB). All WSSC OPEB contributions are deposited into an irrevocable OPEB trust established for this purpose.
- In accordance with a Bi-County Working Group recommendation, utilize a portion of the debt service differential associated with a change from 20-year to 30-year debt for PAYGO financing of capital projects.

Long-Term Service Policies

The various units of the Washington Suburban Sanitary Commission adhere to the following key long-term service policies to ensure that the Commission continues to provide value to customers by furnishing high quality products and services at the lowest possible price:

- Deliver safe and reliable drinking water to customers in a manner that meets or exceeds Safe Drinking Water Act standards.
- Treat wastewater and responsibly manage biosolids in a manner that meets or exceeds federal and state permit requirements and regulations.
- Provide maintenance services at a level consistent with the objective of responding to the customer within 2 hours of receiving notification of a maintenance problem, and restoring service to the customer within 24 hours from the time a service interruption occurs.
- Answer at least 95 percent of all customer billing calls received.
- Treat customers and the general public with courtesy, sensitivity, and respect while remaining responsive to their concerns, inquiries, and requests for service.
- Encourage innovation, excellence, and economy in all phases of service delivery.

EXPLANATION OF THE BUDGET

(Continued)

Short-Term Fiscal and Service Policies

Short-term policies are specific to the budget year. They address key issues and concerns that frame the task of preparing a balanced budget that achieves Commission priorities within the context of current and expected economic and political realities. The General Manager and the Commission adopted the following key policies in preparing the FY'17 Budget.

- Forecast FY'17 water production conservatively at 164.0 million gallons per day.
- Propose a 3.0 percent average increase in water and sewer rates for FY'17.
- Increase the budget by 26 workyears to support critical programs and enhance customer service.
- Continue to address the WSSC's aging infrastructure by proposing the following:
 - ▶ Rehabilitation of 57 miles (301,000 feet) of small diameter water main.
 - ▶ Inspection and repair of 18 miles (95,000 feet) of Prestressed Concrete Cylinder Pipe (PCCP).
 - ▶ Acoustical fiber optic monitoring of 90 miles (475,200 feet) of PCCP.
 - ▶ Continuation of the Trunk Sewer Reconstruction Program.
- Continue the implementation of Supply Chain Management transformation.
- Ensure adequate funding for regulatory compliance requirements.
- Utilize \$6.5 million of fund balance to maintain the operating reserve at 10 percent of water and sewer revenues.
- Fund the fourth year of the five-year Information Technology Strategic Plan.
- Justify all additional, reinstated, and expanded programs.
- Fund the annual required contribution for other post-employment benefits in accordance with Governmental Accounting Standards Board Statement No. 45.
- Offset \$9.8 million of debt service with REDO.

EXPLANATION OF THE BUDGET

(Continued)

IV. BUDGET FORMULATION

Maryland State law requires that the WSSC prepare capital and operating budgets each fiscal year. The FY'17 Approved Budget shows funding and staff requirements, organizational components, and program and fund sources.

The budgets for all funds are prepared on a full accrual basis. Expenses are recognized when goods and services are received, and revenues are recognized when water is delivered to the system. Annual audited financial statements of the WSSC are prepared on the basis of Generally Accepted Accounting Principles (GAAP), whereas both the budget and internal financial statements are prepared on a debt service basis. The debt service basis recognizes certain cash expenses not recognized under GAAP (such as principal payments on debt, and pension contributions based on a level percentage of payroll). Similarly, certain non-cash expenditures that are included under GAAP are not recognized under the debt service basis (such as depreciation on capital assets, and pension expenses as defined by Accounting Principles Board Pronouncement No. 8).

The budget process begins with submission of requests by all organizational units following the guidance provided by the General Manager (see the accompanying chart). Management reviews these requests before the General Manager presents recommendations to the Commissioners. The Commissioners review the budget and make recommendations before approving a proposed budget document for public hearing. A proposed budget document must be available to the public by January 15. Hearings on the WSSC budget are held in each County before February 15. The Commission considers comments and testimony given at the public hearings before the proposed budget is transmitted to the Counties.

State law requires that the Commission transmit its proposed budget to the Counties by March 1 of each year. The County Councils and County Executives and their staffs review the budget and make recommendations. Both Counties must approve any amendments to the budget on or before June 1. Once the Counties' actions have been received, the Commission adopts an Approved Budget and sets the levels for charges, fees, and taxes to finance approved expenditures. The Approved Budget takes effect on July 1.

Once the budget is adopted, total expenditures may not exceed the final total approved budget without an approved budget supplement. Budget supplements must be approved by the Montgomery and Prince George's County Councils, and are transmitted to them through their respective County Executives.

EXPLANATION OF THE BUDGET

(Continued)

Preparation of the six-year Capital Improvements Program (CIP) spans 13 months, beginning in May of each year. After a preliminary staff-level review in June, the General Manager and key management personnel review all CIP project submissions in July to assess the justification for new projects, the criticality and priority of on-going projects, and the overall financial impacts of these projects on spending affordability. Only the debt service requirements for capital expenditures in the first (budget) year of the six-year CIP are included in the operating budget. By August, the General Manager submits a draft CIP to the WSSC's Commissioners for their consideration, and work sessions are conducted to solicit input from County governments, Maryland-National Capital Park and Planning Commission, and local municipality representatives. Public hearings on the CIP are held in September. The WSSC is required by state law to transmit the Proposed CIP to both County governments by October 1 of each year.

The approved Capital Budget for a given budget year consists largely of spending for the first year of the six-year Capital Improvements Program including those projects in the Information Only Section. Projects shown in the Information Only Section are not required to be in the CIP, but may be included to provide more comprehensive information on important programs or projects. Budget year expenditures in connection with relocations, house connections, new water meters, and similar items constitute the remainder of the capital budget for a given year.

Between January and May of the following year, each County approves, modifies, or deletes projects, and by mid-May the County Councils meet jointly to resolve any differences. By June 1, each Council must enact formal resolutions approving new projects and other program modifications. The Commission then has 30 days to adopt these changes before the beginning of the fiscal year on July 1.

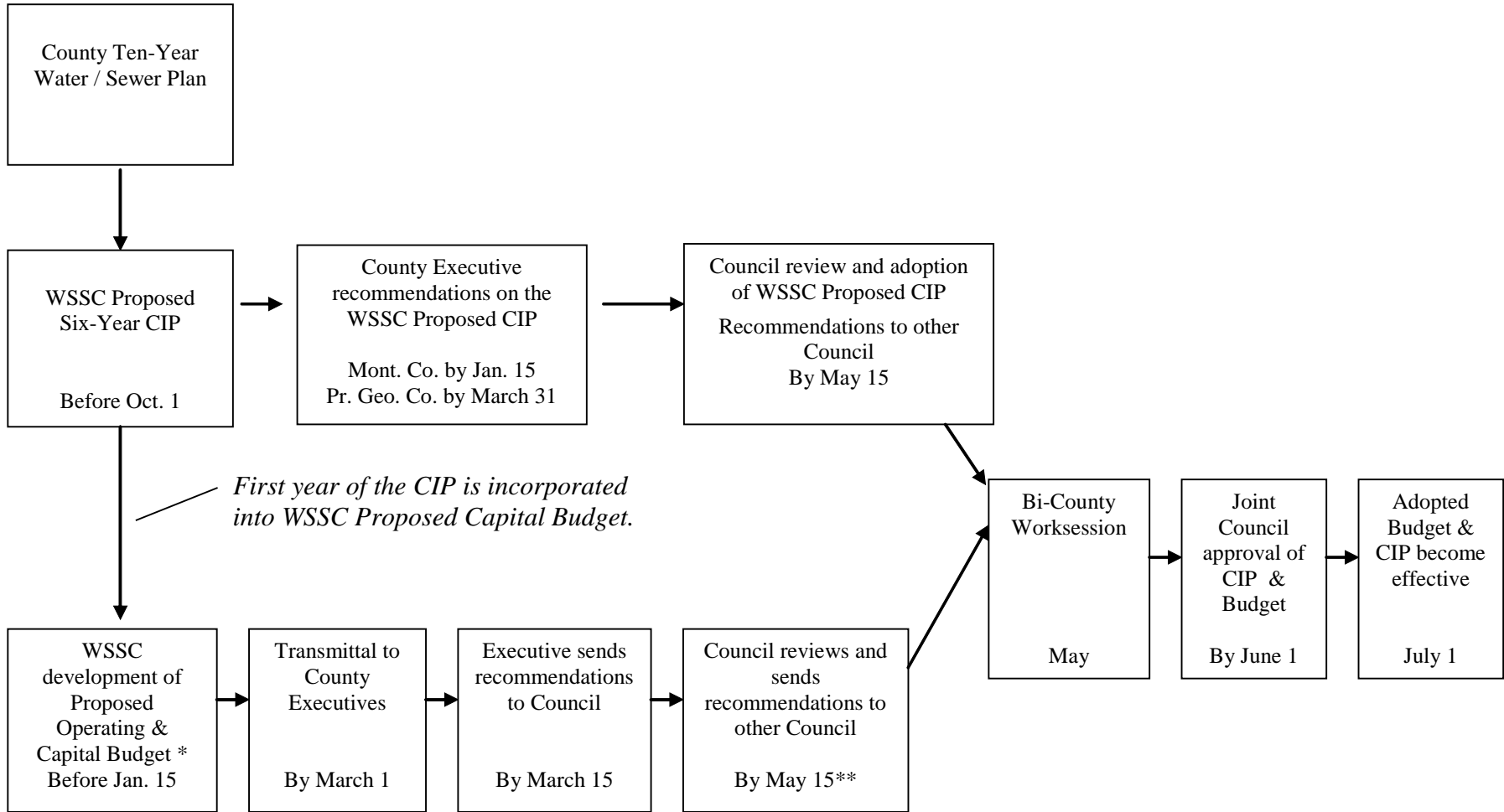
Preparation of the proposed Operating Budget requires integrating several other planning efforts with the budget formulation process. The annual spending affordability review, undertaken jointly with Montgomery and Prince George's Counties, uses a six-year financial model to examine the impacts and affordability of various scenarios involving the WSSC's future capital and operating needs. This analysis results in the development of maximum "affordable" levels for rate increases, operating expenditures, debt service, and new debt in the budget year. These limits, which are formally adopted by the Montgomery and Prince George's County Councils, play a key role in guiding the annual budget process.

Capital needs, developed independently in planning for the six-year Capital Improvements Program, also shape the operating budget by helping to determine debt service requirements, the need for Pay-As-You-GO (PAYGO) financing, revenues from the System Development Charge (and the corresponding need, if any, for rate-payer supported debt to pay for growth), and the operating impacts of projects expected to be completed during the budget year (additional operating costs, if present, as well as any expected efficiencies). The annual debt service on outstanding bonds is paid from the Commission's operating funds, primarily through water consumption and sewer use charges paid by customers. Thus, the size of the CIP affects the size of the water and sewer bond issues needed in the budget year, which in turn affects customer water and sewer bills.

EXPLANATION OF THE BUDGET

(Continued)

WSSC Budget & Capital Improvements Program Processes



* Includes first year of Proposed CIP plus Information Only Projects and General Construction Projects.

**Incorporates changes to funding in budget year for CIP projects.

EXPLANATION OF THE BUDGET

(Continued)

The CIP is, in turn, driven in part by the development planning and authorization processes of Montgomery and Prince George's Counties, especially as manifested in the Counties' ten-year water and sewer plans. These plans guide development activity within the Counties and are updated annually. In addition, since the WSSC must contribute to the capital and operating expenses of the Blue Plains Wastewater Treatment Plant, budget planning by the District of Columbia Water and Sewer Authority (DCWASA) - and the budget's subsequent review and approval by DCWASA's multi-jurisdictional Board of Directors - can have important impacts on planning for the WSSC's capital and operating budgets.

V. FUND STRUCTURE

The FY'17 Approved Budget consists of six separate funds, three in the operating budget (the Water Operating, Sewer Operating, and General Bond Debt Service Funds) and three in the capital budget (the Water Supply Bond, Sewage Disposal Bond, and General Construction Bond Funds). The Water Operating and Sewer Operating Funds are the primary funds for operating purposes. The Water Operating Fund pays for water treatment and distribution, and the Sewer Operating Fund pays for sewage collection and treatment. The General Bond Debt Service Fund receives front foot benefit payments to underwrite the debt service on smaller lateral water and sewer lines. Although each fund is essentially a separate entity authorized to expend funds for prescribed purposes and derive revenues from specific rates, charges, and/or taxes, as prescribed by state law, the capital and operating funds are interrelated as explained below.

Water

The Commission issues Water Supply Bonds (Capital Fund) to finance the planning, design, and construction of major water treatment and transmission facilities and the reconstruction of the water distribution system. The facilities include dams, reservoirs, water filtration plants, water pumping stations, water storage facilities, and water supply lines 16 inches in diameter and larger. Water operating revenues - customer payments for water bills - in the Water Operating Fund are used to pay for operating and maintaining these water facilities, and also to pay the debt service (principal and interest that must be repaid) on Water Supply Bonds.

Sewer

The Commission issues Sewage Disposal Bonds (Capital Fund) and receives grants to finance the planning, design, and construction of major sewage disposal and treatment facilities and the reconstruction of the sewerage collection system. The facilities include sewage pumping stations and force mains, sewer lines 15 inches in diameter and larger, sewage treatment facilities (including reimbursement to the District of Columbia Water and Sewer Authority for construction at Blue Plains), and improvements or modifications to these facilities. Sewer operating revenues - customer payments for sewer bills - in the Sewer Operating Fund are used to pay for operating and maintaining these facilities, and also to pay the debt service on Sewage Disposal Bonds. Sewer use charges are generally based upon metered water use.

EXPLANATION OF THE BUDGET

(Continued)

General Construction

The Commission issues General Construction Bonds (Capital Fund) to pay for the construction of minor water and sewer lines (water distribution lines 15 inches in diameter and smaller, and sewer lines 14 inches in diameter and smaller) and support facilities. General Bond Debt Service Fund revenues - customer payments for front foot benefit charges - are used to pay the debt service on construction of minor water and sewer lines. House connection construction costs are underwritten by a direct charge to the applicant.

The following table summarizes each of these funds.

WSSC FUND STRUCTURE

	<u>MAJOR PURPOSE</u>	<u>MAJOR REVENUE SOURCE</u>
<u>Capital Fund</u>		
Water Supply Bond	Construct major water supply treatment and transmission facilities; Reconstruct water distribution system	Water Supply Bonds and System Development Charge
Sewage Disposal Bond	Construct major sewage treatment and transmission facilities; Reconstruct sewerage collection system	Sewage Disposal Bonds, System Development Charge, and Grants
General Construction Bond	Construct minor water and sewer lines and support facilities	General Construction Bonds and House Connection Charges
<u>Operating Fund</u>		
Water Operating	Operate and maintain water facilities and pay debt service on Water Supply Bonds	Customer Water Bill
Sewer Operating	Operate and maintain sewerage facilities and pay debt service on Sewage Disposal Bonds	Customer Sewer Bill
General Bond Debt Service	Pay debt service on General Construction Bonds	Front Foot Benefit Charges

EXPLANATION OF THE BUDGET

(Continued)

VI. KEY PROVISIONS OF THE FY'17 BUDGET

The total proposed budget for all funds is approximately \$1.4 billion - \$690.3 million in capital and \$736.4 million in operating. A 3.0 percent average increase in water and sewer rates, and the final phasing-in of the Infrastructure Investment Fee are required to fund water and sewer operating expenses. The budget provides for:

- Implementing the first year of the FYs 2017-2022 Capital Improvements Program;
- Treating and delivering 164.0 MGD of water to over 450,000 customer accounts in a manner that meets or exceeds the Safe Drinking Water Act standards;
- Treating 217.5 MGD of wastewater and responsibly managing up to 1,000 tons of biosolids per day in a manner that meets or exceeds federal and state permit requirements and regulations;
- Operating and maintaining a system of 3 water reservoirs impounding 14 billion gallons of water, 2 water filtration plants, 6 wastewater treatment plants, 5,600 miles of water main, and 5,500 miles of sewer main, 24 hours a day, 7 days a week;
- Paying the WSSC's share of the cost of operating the District of Columbia Water and Sewer Authority's Blue Plains Wastewater Treatment Plant;
- Maintaining an operating reserve of 10% of water and sewer revenues;
- Paying debt service of \$261.4 million - of which \$243.8 million is in the Water and Sewer Operating Funds;
- Funding the annual required contribution for post-employment benefits other than retirement based on Government Accounting Standards Board Statement No. 45;
- Continuing to provide maintenance services at a level consistent with the objective of responding to the customer within 2 hours of receiving notification of a maintenance problem and restoring service to the customer within 24 hours from the time a service interruption occurs;
- Complying with the Sanitary Sewer Overflow Consent Order;
- Answering at least 95 percent of all customer billing calls received;
- Maintaining and fueling 953 vehicles, maintaining approximately 798 pieces of large field equipment, and operating 6 repair facilities;

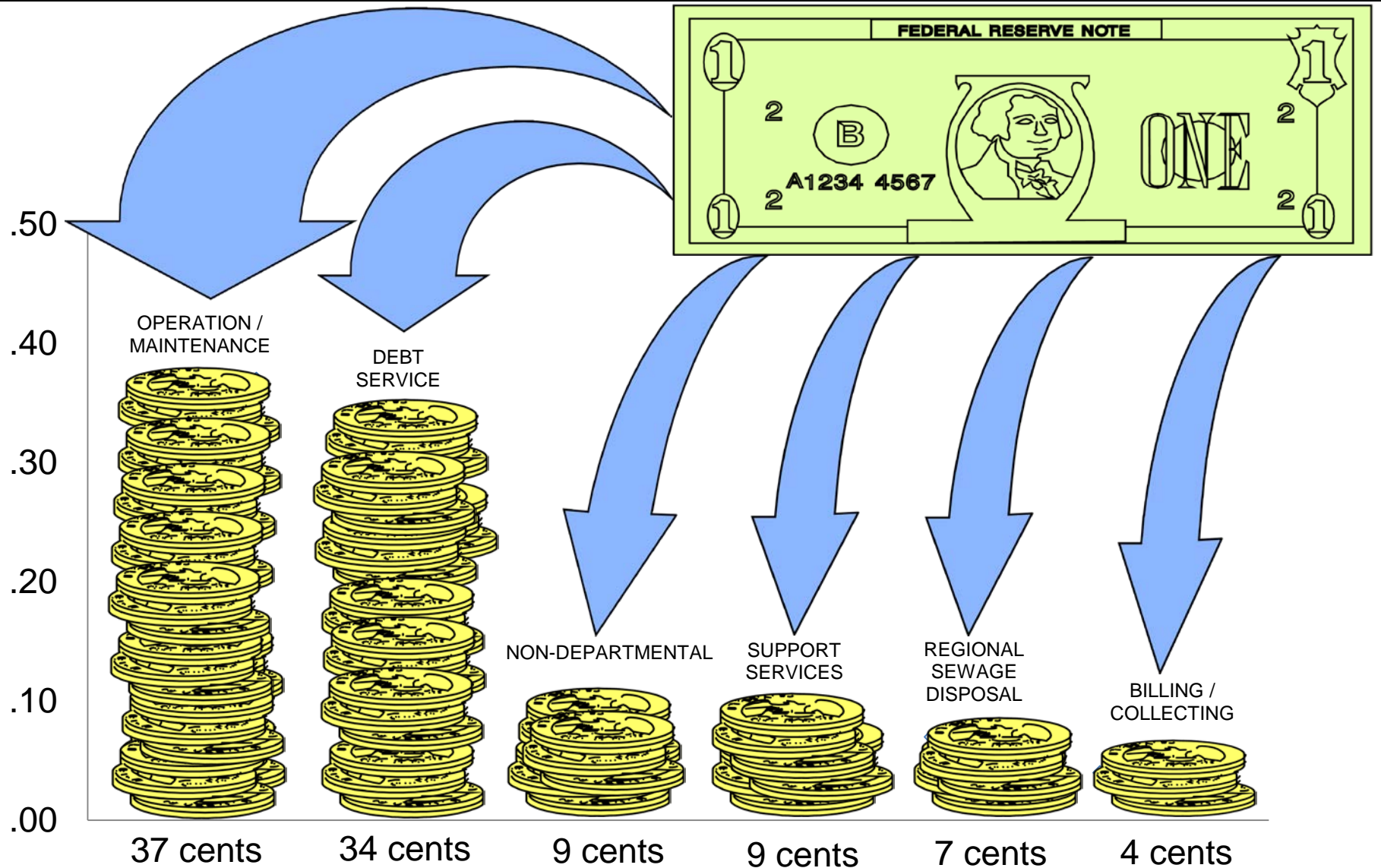
EXPLANATION OF THE BUDGET

(Continued)

- Replacing 27 pieces of major equipment which are needed to support construction, operations, and maintenance activities;
- Replacing 151 and purchasing an additional 8 vehicles which are needed to support construction, operations, and maintenance activities; and
- Funding employee salary enhancements in a manner coordinated with the Counties, and continuing other benefits.

FY'17 PROPOSED BUDGET

(How Each Dollar of a Water and Sewer Bill is Spent)



PERFORMANCE AND OUTCOME MEASURES

SECTION 2

OUR STRATEGIC PRIORITIES

Our methods for achieving our Mission and Vision

- **Sustain Infrastructure:** Plan, invest in, and renew our infrastructure to meet customer expectations through innovative, cost-effective technology and world class asset management practices.
- **Ensure Financial Sustainability:** Practice sound financial stewardship, ensuring delivery of the best quality water and wastewater treatment services to our customers at a reasonable cost. Offer affordable rates, and use innovative ideas for minimizing rate increases.
- **Optimize Workforce Management:** Sustain a high-performing, diverse workplace that attracts and retains flexible and knowledgeable employees who promote service excellence and innovation.
- **Integrate Supply Chain Management and Supplier Diversity:** Ensure operational efficiency and reliable service to customers, suppliers, and all stakeholders through transparent, equitable, and responsible procurement practices that involve, inform, and reflect the community we serve.
- **Deliver Excellent Customer Service:** Ensure customer confidence through the delivery of timely, high quality products and services to internal and external customers.
- **Ensure Security and Safety:** Protect our people, our business, and our community through proactive planning, emergency preparedness and utilization of effective risk management.
- **Enhance Communications and Stakeholder Relationships:** Proactively communicate and sustain relationships and strategic partnerships with our community, key stakeholders and jurisdictions in support of our mission and our future success.
- **Demonstrate Environmental Stewardship:** Practice safe and responsible stewardship of our water, air, and land through efficient and effective education, technology, and business practices.

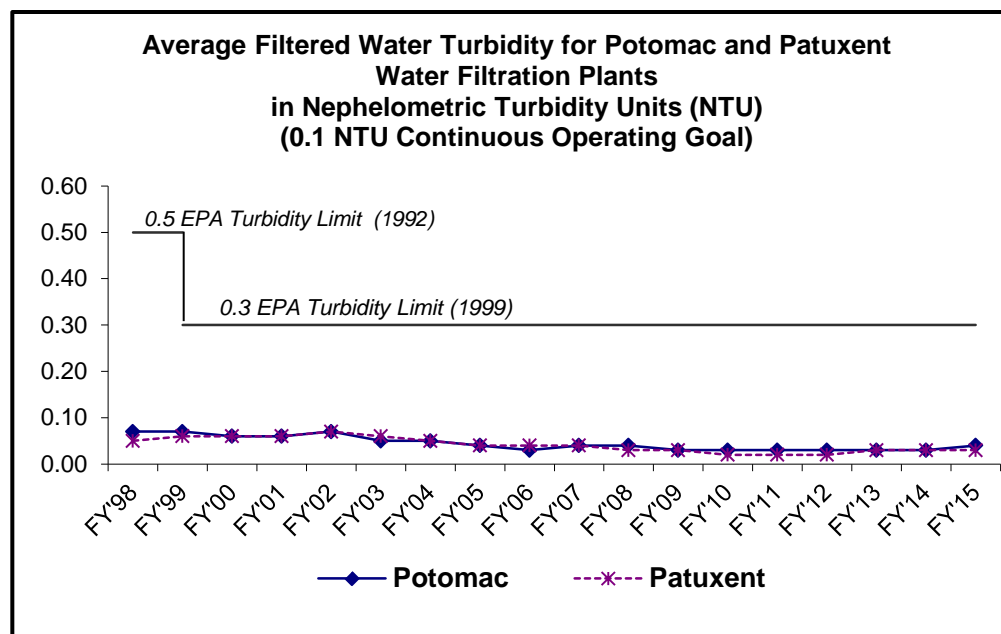
PERFORMANCE OF KEY SERVICES

Water Filtration and Treatment

One of the WSSC's primary goals is to provide a safe and reliable supply of drinking water that meets or exceeds the requirements of the Safe Drinking Water Act and other federal and state regulations. The WSSC has *never* exceeded a maximum contaminant level (MCL) or failed to meet a treatment technique (TT) requirement established by the U.S. Environmental Protection Agency (EPA) in accordance with the Safe Drinking Water Act.

To ensure public health protection, the WSSC emphasizes addressing low-level contaminants, such as disinfection byproducts, and maintaining low levels of turbidity (suspended sediment). The Commission continues to work closely with local and national professional and research organizations, as well as with state and county agencies and the EPA, to ensure that WSSC's treatment methods are cost-efficient and consistent with current research findings.

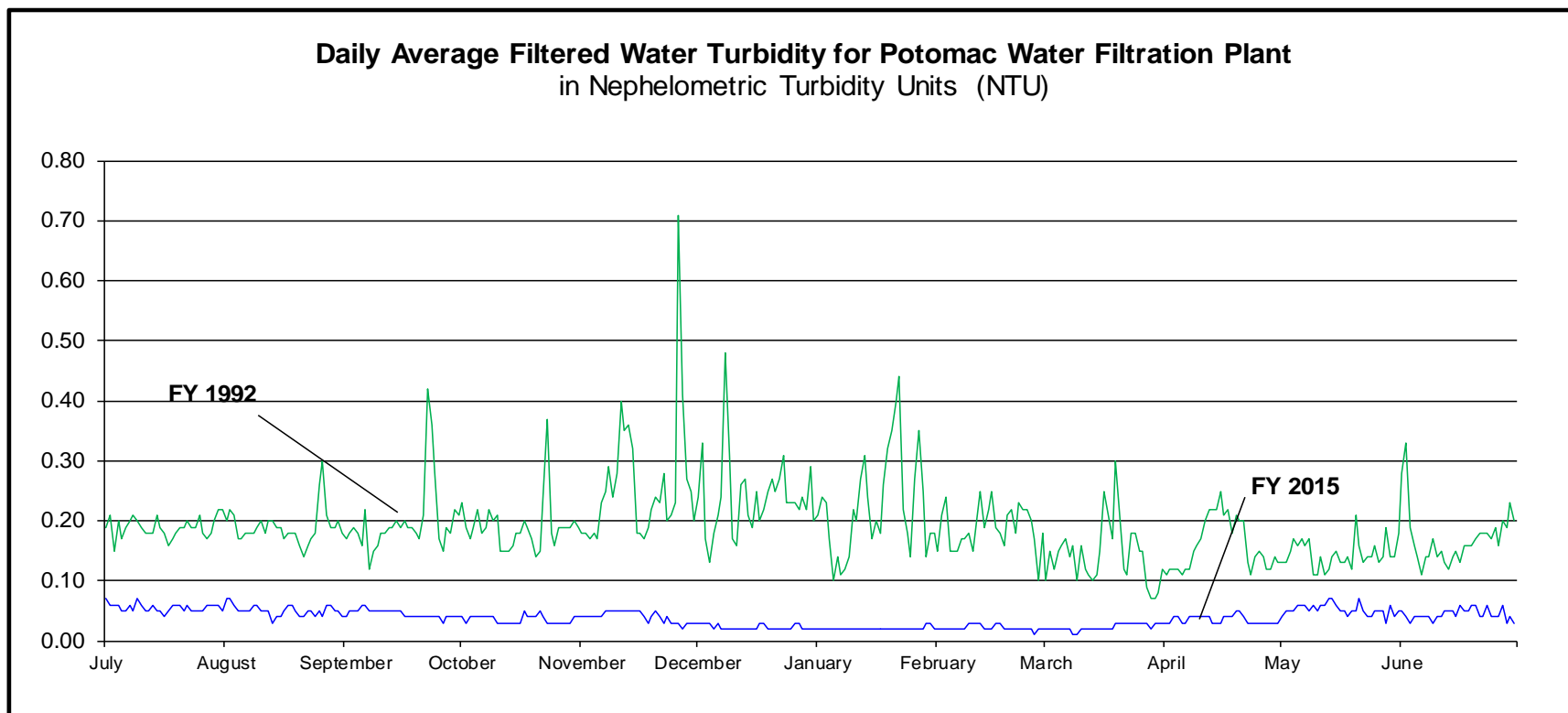
The WSSC's continued participation in the Partnership for Safe Water Program is indicative of the Commission's commitment. A primary goal of this program is to maintain filtered water turbidity well below EPA established limits to effectively guard against *Cryptosporidium*. Although the Commission was already meeting the established maximum average monthly turbidity requirement of 0.5 Nephelometric Turbidity Units (NTU), a substantial effort was made in FY'92 to further improve water quality to prevent emerging problems associated with *Cryptosporidium*. The graph above shows the average turbidity for the Potomac and Patuxent Water Filtration Plants for FY'98 through FY'15. Note the EPA reduced the turbidity limit to 0.3 NTU in 1999, still well above the levels being achieved by the Commission. A maximum water turbidity of 0.1 NTU level has been and will continue to be a key objective for the WSSC's Production Team.



PERFORMANCE OF KEY SERVICES

(Continued)

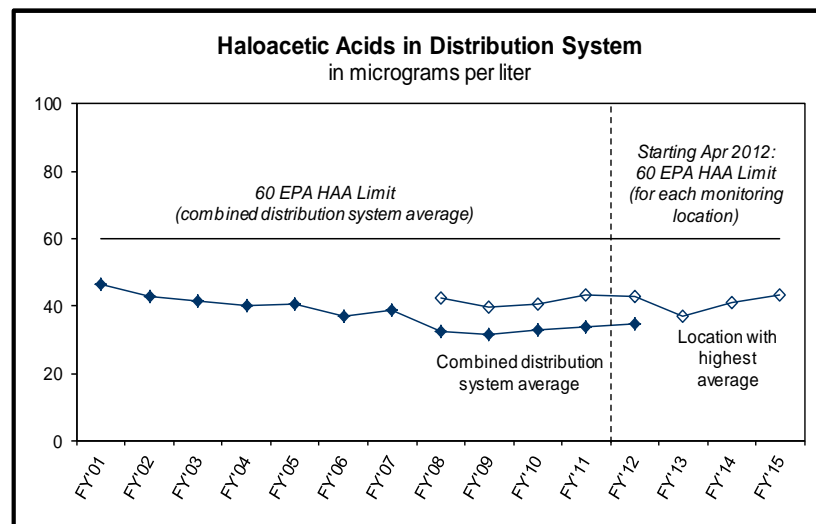
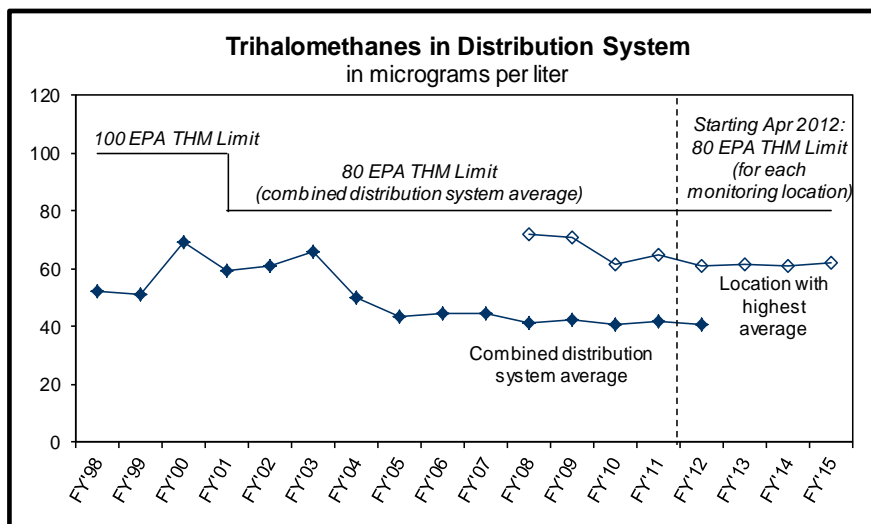
As shown in the graph below for the Potomac Water Filtration Plant, the FY'15 magnitudes of the daily peaks associated with variable raw water quality were substantially less than FY'92 peak levels. This measure is of particular importance in ensuring the reliability of the *Cryptosporidium* barrier. In addition, the ultraviolet (UV) system incorporated in our treatment train at Potomac (and soon at Patuxent) further increases the reliability of this barrier.



PERFORMANCE OF KEY SERVICES

(Continued)

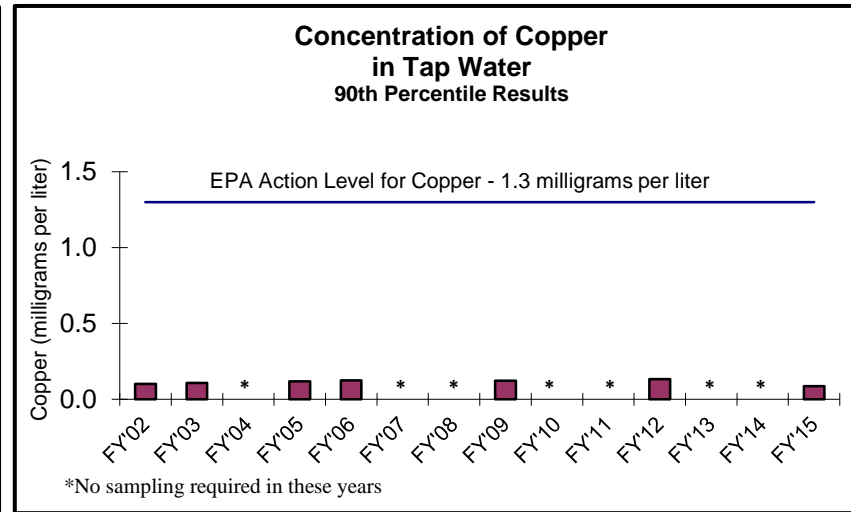
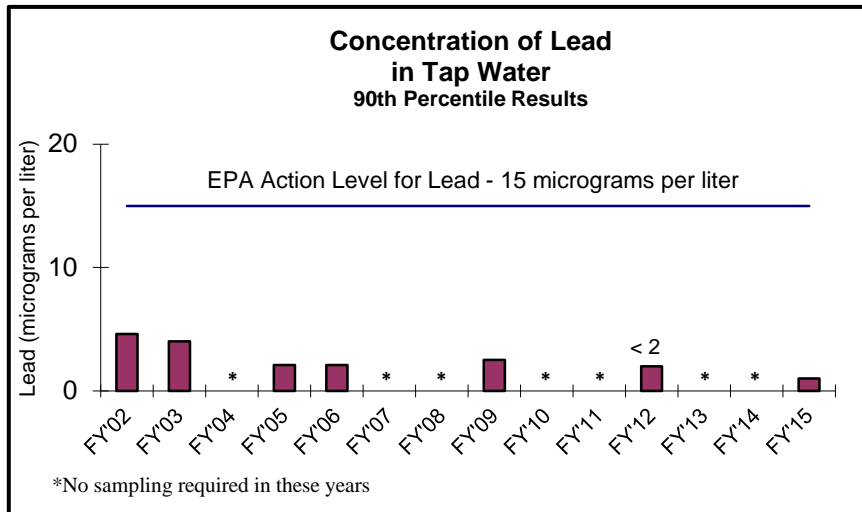
The WSSC has also been aggressively pursuing enhanced coagulation (optimization of coagulant doses and pH levels to improve total organic carbon removal) to enhance disinfection byproduct precursor removal, thereby lessening the formation of potential carcinogens in the finished water. Effective January 2001, the EPA reduced the standard for trihalomethanes (THMs) from 100 to 80 micrograms or less of total THMs (TTHM) per liter in finished water. At the same time, the EPA also established a finished water maximum contaminant level for haloacetic acids (HAAs) of 60 micrograms of five HAAs (HAA5) per liter. As shown in the figures below, with the help or support of its enhanced coagulation initiatives, the WSSC is meeting the THM and HAA standards. The Stage 2 Disinfection Byproducts (DBP) rule took effect in late FY'12, and builds upon earlier rules improving drinking water quality. The new rule strengthens public health protection from disinfection byproducts by requiring drinking water systems to meet maximum contaminant levels at each compliance monitoring location (as a locational annual average) instead of as a system-wide average as in previous rules. The annual average shown below is the highest quarterly running annual average for a given fiscal year.



PERFORMANCE OF KEY SERVICES

(Continued)

The Commission continues its corrosion control program (using fine pH adjustment and addition of orthophosphate) to minimize potential lead and copper corrosion in customer plumbing. The state has confirmed that WSSC's treatment is optimized for corrosion control against lead and copper. As a result, the state has allowed WSSC to be on a reduced monitoring schedule (both frequency of monitoring and number of samples) for much of the past two decades, with occasional periods of increased monitoring associated with treatment changes such as the addition of orthophosphate. Results from the required annual or triennial monitoring continue to indicate the 90th percentile lead and copper levels are well below the tap water action levels. The most recent round of monitoring was performed in FY'15.



PERFORMANCE OF KEY SERVICES

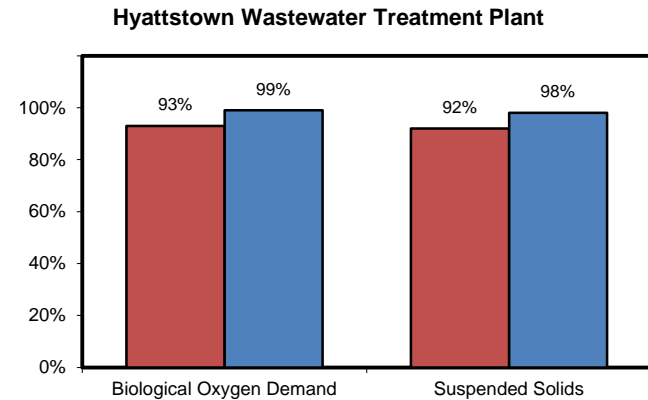
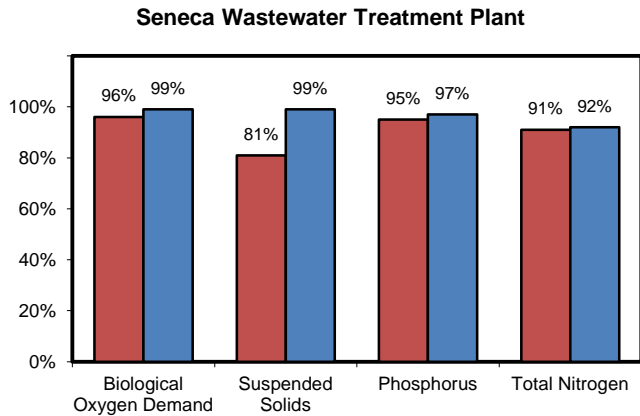
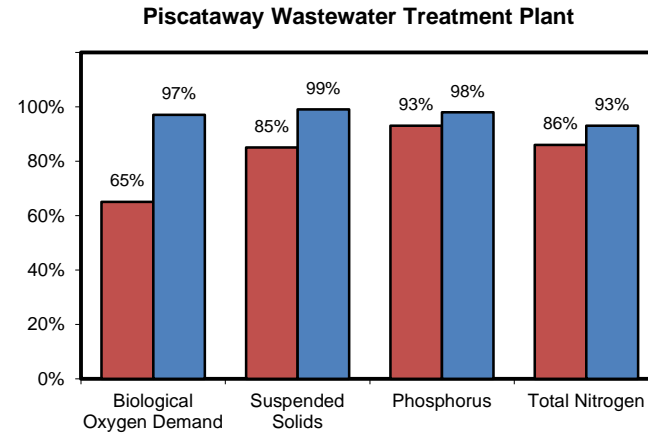
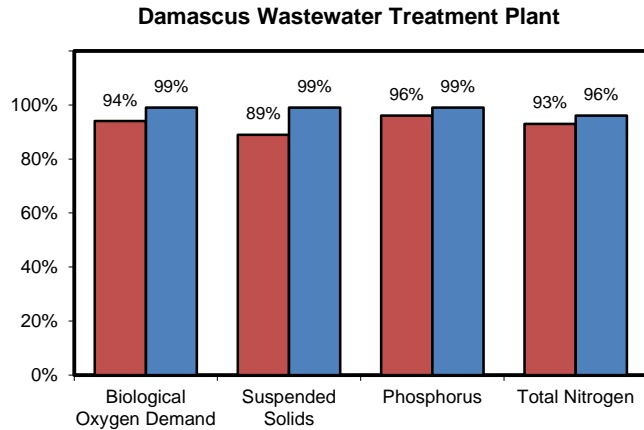
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Wastewater Treatment

The following graphs present the actual FY'15 WSSC wastewater treatment plants' performance in terms of the percentage of specific substances removed compared to state/federal discharge permit requirements. The substances regulated differ from plant to plant, depending (in part) on the river or stream into which the treated water is discharged. For FY'17, the Production Team will continue to pursue its goal of meeting or surpassing the permit requirements for each plant.

Wastewater Treatment Plant Performance – FY'15 Percentage Removal of Substances Regulated by Discharge Permits

■ Permit Requirement ■ Plant Performance

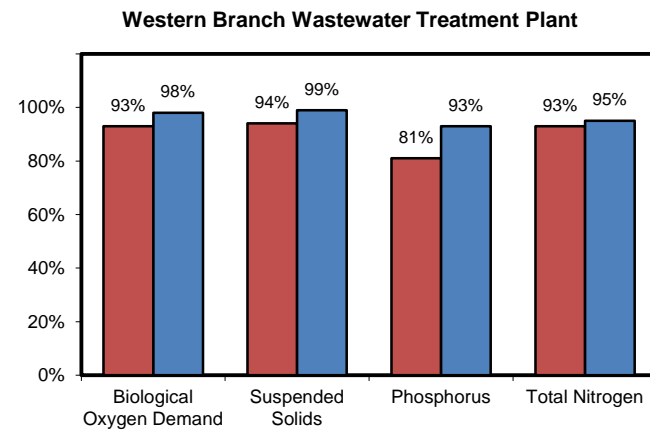
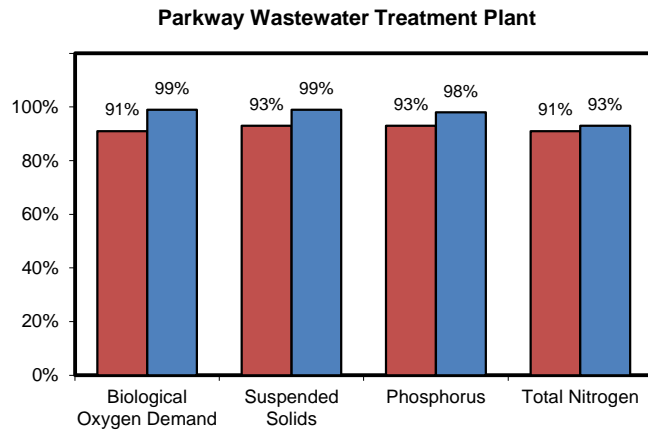


PERFORMANCE OF KEY SERVICES

(Continued)

Wastewater Treatment Plant Performance – FY'15 Percentage Removal of Substances Regulated by Discharge Permits

■ Permit Requirement ■ Plant Performance



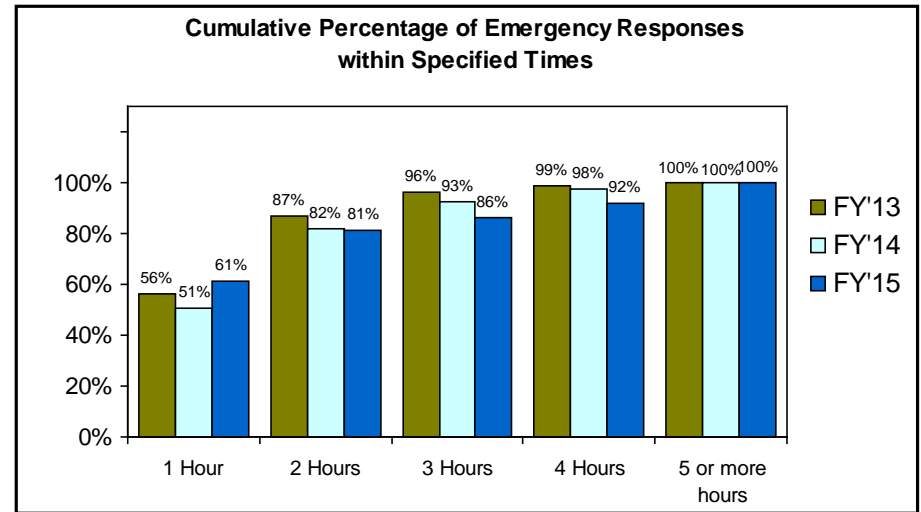
PERFORMANCE OF KEY SERVICES

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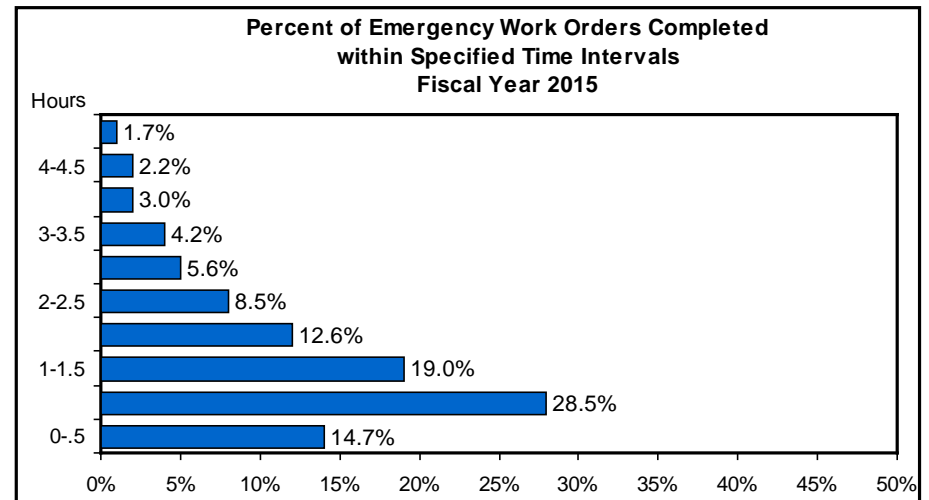
Emergency Response

During FY'15, 37,505 emergency work orders were initiated in response to customer or system emergencies. The WSSC's objective is to provide a first response to these emergencies in less than 2 hours, based on feedback from our customers on what they consider a reasonable and necessary response time.

The top graph shows that in FY'15 we responded to 61% of our emergency calls in less than 1 hour, and to 81% in less than our 2-hour goal with an average response time of 1.5 hours. In FY'14 the average response time was 1.3 hours. The percentage of calls responded to within our 2-hour goal decreased slightly primarily due to a 16% increase in emergency work orders in FY 2015. Emphasis on proper dispatching and on crew and inspector assignments generally allows us to keep our response time under 2 hours.



The bottom graph shows the distribution of emergency work order completion times in FY'15. Most emergency work orders required less than 2.0 hours to complete.

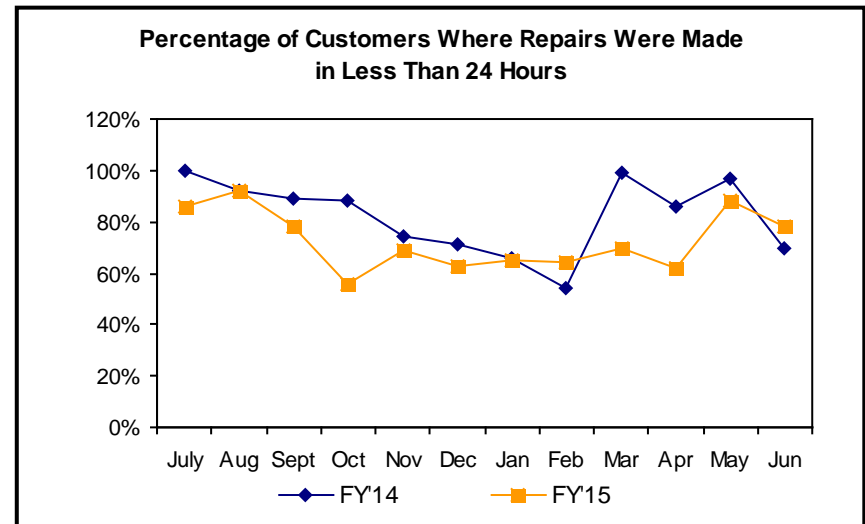
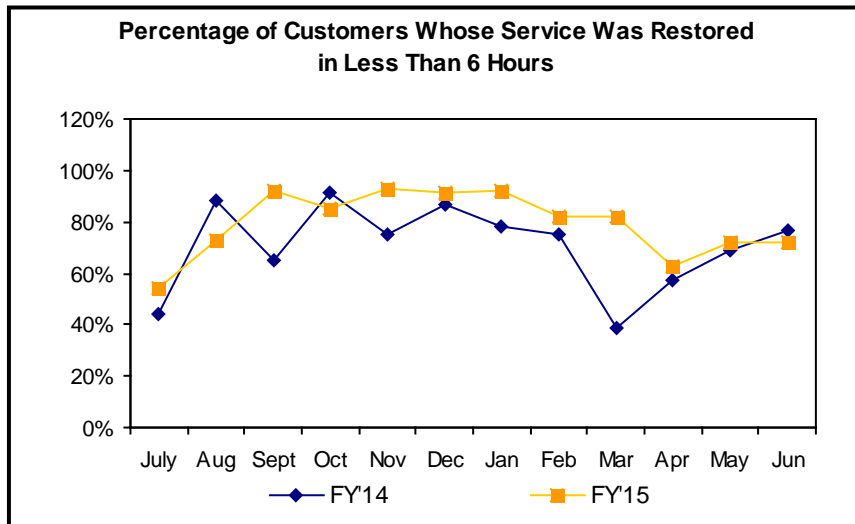


PERFORMANCE OF KEY SERVICES

(Continued)

Restoration of Water Service

The WSSC's objective is to restore normal service to our customers within 24 hours from the time we are notified of an emergency, and to limit the actual time a customer is without water service to less than 6 hours. During FY'15, 15,516 customers, or approximately 3.5% of the WSSC's active accounts, experienced a temporary suspension in water service while a water main was shut down following a water main break or other emergency. The graph below on the left indicates the percentage of affected customers whose water service was restored in less than 6 hours after a water main was shut down and returned to service. For the year FY'15, the average time that customers were without water service was 4.1 hours, with 86.1% having water service restored within the targeted 6-hour goal. The graph on the right indicates the percentage of affected customers where repairs were completed in less than 24 hours to restore normal or permanent water service. The average time from notification of a problem to restoration of normal service was 18.6 hours for the year FY' 15, with 72.5% of customers having normal water service restored in less than the 24-hour goal.



PERFORMANCE OF KEY SERVICES

(Continued)

Discolored Water

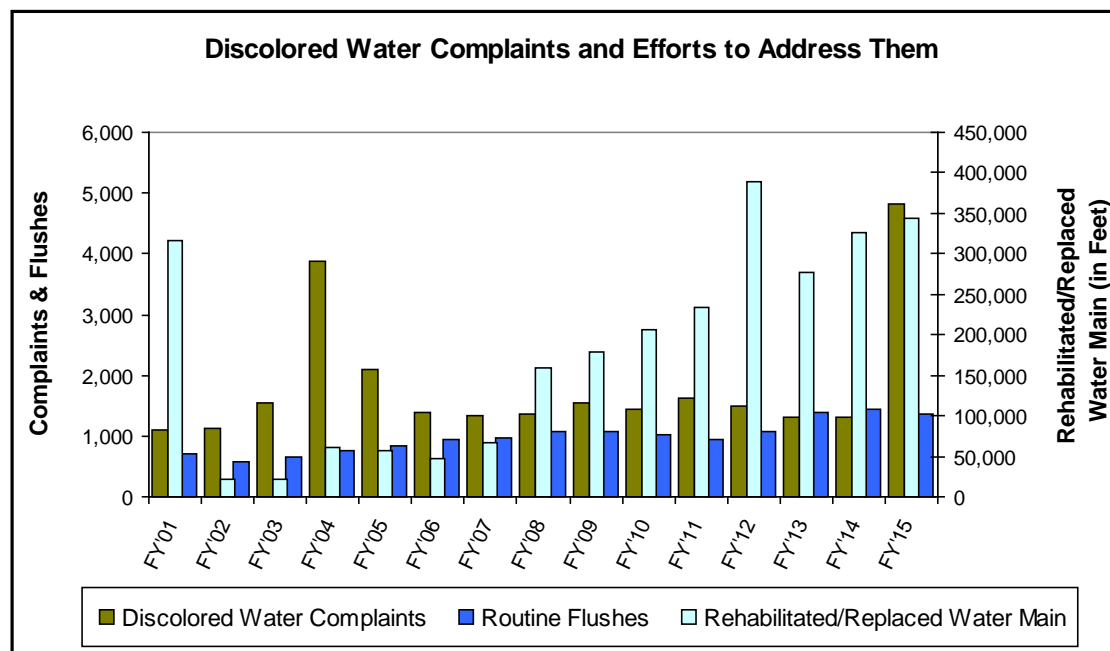
Unlined cast iron pipe eventually leads to discolored water in the distribution system as the water chemically reacts with the pipe to form iron oxides (rust) and accumulates deposits of iron and manganese that can become dislodged. This is a serious inconvenience for the affected customers, limiting and disrupting their normal water use. To combat this problem, an aggressive program was begun in FY'96 to periodically flush water mains in the affected areas to keep the water clear. At the same time, the Commission augmented its ongoing program to resolve such problems by mechanically cleaning and relining the old mains with a new cement mortar lining.

The graph to the right shows the relative success the WSSC has had in dealing with these complaints over the years.

Beginning in FY'01, the emphasis was shifted from cleaning and lining water mains to the more permanent solution of water main replacement, which is more involved and more time consuming than cleaning and lining. During FY'04, even though rehabilitation and replacement efforts more than doubled, discolored water

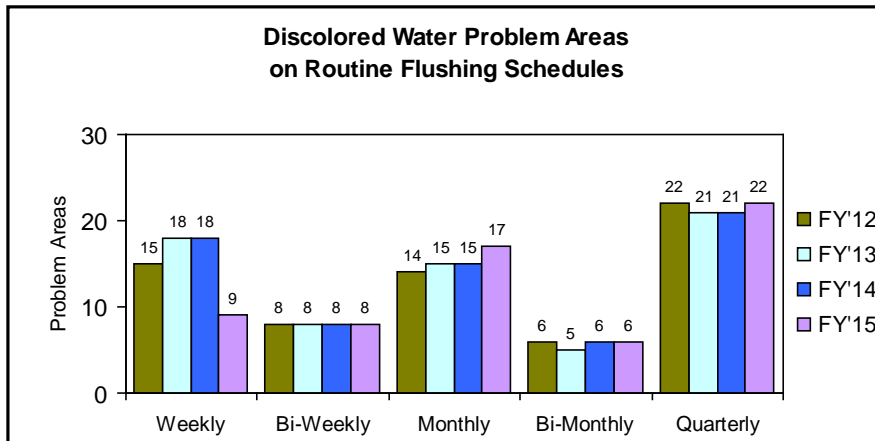
complaints increased as a result of the volume of water main breaks associated with winter weather and service changes resulting from the Patuxent Water Filtration Plant Upgrade. Again in FY'15, there was a substantial increase in discolored water complaints. An investigation of this issue revealed that there was a significant increase in sodium and manganese coming from the Potomac River in February and March. The sodium concentration, about 7 times higher than usual, was in the river due to the use of salt on roads and driveways in the winter months. The salt leached manganese from the soil and the increase in manganese in the ground water reached the river and the intake at the Potomac Plant. Presence of high levels of manganese caused discoloration. Presence of sodium aggravated the corrosion of WSSC's aging water mains and contributed to increased discolored water complaints.

The focus on rehabilitation and replacement efforts has been increasing in recent years. In order to maintain the high level of water quality our customers expect, it is important to continue acceleration of water main replacement. This will continue to reduce the amount of flushing that is required. WSSC replaced 64.3 miles of both small and large diameter water mains during FY'15.



PERFORMANCE OF KEY SERVICES

(Continued)



The graph to the left shows the number of chronic problem areas requiring regular flushing on a weekly, bi-weekly, monthly, bi-monthly, and quarterly basis since FY'12. The number of areas with chronic discolored water problems has remained relatively constant over the years, with little variation in bi-weekly, monthly, bi-monthly, and quarterly flushings.

Sewer Line Blockages

The goal of the Line Blockage Analysis (LBA) program is to prevent a customer who experiences a sewer backup due to a problem in the WSSC's main sewer line from suffering a second backup. When a customer has a sewer backup, a maintenance crew responds to clear the stoppage and assist in cleaning the basement. Response is generally within 2 hours, 24 hours a day, and 7 days a week. The customer is contacted the following business day to see if additional assistance is needed and is advised that an LBA investigation has been initiated. The sewer main is immediately re-cleaned to preclude another backup during the investigation process, and a television camera is pulled through the line within 30 days to determine structural condition. All pertinent data is then reviewed and analyzed to determine what action is necessary to prevent a recurrence of the backup. After a decision is made, the customer is notified by letter of any planned action, and the appropriate preventive maintenance or rehabilitation action is scheduled and subsequently implemented.

The overall program objective is to prevent a second backup in 95% of the cases processed. For FY'15, the Commission was successful in preventing a second backup in 99.2% of these cases. The Proactive Maintenance Program (PMP), along with technological advances such as the jet cam, has enabled the Commission to pursue its objective more diligently.

PERFORMANCE OF KEY SERVICES

(Continued)

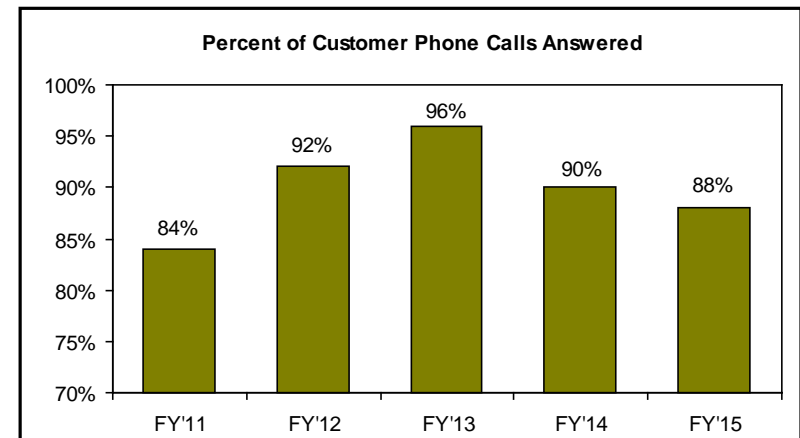
Sewer House Connection Renewal

The sewer house connection renewal program replaces sewer house connections when structural problems have caused customer backups. Damaged or deteriorated sewer house connections are replaced as necessary to ensure that customers do not suffer repeated sewer backups into their homes. The program objective is to prevent a second backup after the WSSC has confirmed there is a problem with the service. At the beginning of FY'15, 307 house connections met the criteria for renewal. During FY'15, the Commission replaced a total of 682 connections.

Customer Calls for Maintenance Assistance

During FY'15, the Commission answered 88% of customer calls for maintenance assistance, as shown in the graph to the right. Our goal continues to be a 95% response rate. We continue to work through several measures in furtherance of this goal. Cross-training agents from the Non-Emergency Call Center allows for greater flexibility in staffing and an improved knowledge base. A Geographic Information System (GIS) application enables customers to report emergencies using their smart phones. The system complements the Maintenance Management Information System (MMIS) by placing needed information about leaks and other emergencies at the dispatchers' fingertips, thereby allowing representatives to provide consistent and knowledgeable responses. Detailed help in determining the proper response to customers' problems and questions is included along with other frequently required reference materials, such as phone numbers and standard operating procedures.

In addition, a Workforce Management Center of Excellence (CoE) is being implemented to forecast, plan, schedule, and handle intra-day adjustments so staffing levels required to meet service levels are achieved. The benefit of this initiative is that the Workforce Management CoE will proactively monitor staffing levels and maintain best services, routing between in-house and out-sourced staff.



GOALS, OBJECTIVES, AND OUTCOME MEASURES

ENGINEERING & CONSTRUCTION TEAM

Goal: Provide timely support for water and sewer extensions needed for planned development in the Sanitary District.

Group(s): Development Services
Strategic Priority: Deliver Excellent Customer Service

Objective	Outcome Measure	FY 2014		FY 2015		FY 2016	FY 2017
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
Complete Hydraulic Review as part of the System Extension Permit (SEP) process within 6 weeks of submission, excluding large/complex projects.	Percentage of Hydraulic Review requests processed in 6 weeks or less.	90%	100%	95%	96%	100%	100%
Complete Phase II of the SEP process within 8 weeks.	Percentage of Phase II plan review packages processed in 8 weeks or less.	95%	100%	100%	100%	100%	100%

Goal: Promptly issue all plumbing and gasfitting permits required by the WSSC.

Group(s): Development Services
Strategic Priority: Deliver Excellent Customer Service

Objective	Outcome Measure	FY 2014		FY 2015		FY 2016	FY 2017
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
Issue all requested plumbing and gasfitting permits within 2 days of receipt of contractors' application.	Percentage of permits issued within 2 days of receipt of contractors' application.	98%	100%	98%	100%	100%	100%

Goal: Provide effective short- and long-range planning for the WSSC's water and wastewater systems to ensure public safety and sufficient future water and wastewater capacity.

Group(s): Planning
Strategic Priority: Ensure Security and Safety

Objective	Outcome Measure	FY 2014		FY 2015		FY 2016	FY 2017
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
Reduce the number of wastewater basins experiencing recurring wet weather overflows to zero.	Number of wastewater basins experiencing recurring wet weather overflows (Total: 21 basins).	2	1	1	1	1	1
Keep water system zones having transmission/storage deficiencies that require authorization dependencies at zero.	Number of water system zones with transmission/storage deficiencies that require authorization dependencies (Total: 19 zones).	0	0	0	0	0	0

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(Continued)

Goal: Plan, design and construct major capital projects according to the CIP.

Group(s): Project Delivery
Strategic Priority: Sustain Infrastructure

Objective	Outcome Measure	FY 2014		FY 2015		FY 2016	FY 2017
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
Complete facility plans, concept designs and engineering designs as scheduled in the CIP.	Number of planning and design phase projects completed vs. planned.	8	11	7	11	5	5
Complete facility construction as scheduled in the CIP.	Number of construction phase projects completed vs. planned.	6	8	6	8	6	8

Goal: Rehabilitate and/or replace deteriorating water and wastewater infrastructure.

Group(s): Infrastructure-Systems, Systems Inspection, Technical Services
Strategic Priority: Sustain Infrastructure

Objective	Outcome Measure	FY 2014		FY 2015		FY 2016	FY 2017
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
Design the number of miles for the Water Reconstruction Program as planned.	Miles of water mains designed vs. planned.	50	52	60	60	57	69
Design the number of large service meter vaults as planned.	Number of meter vaults designed vs. planned.	50	39	45	45	45	45
Design the number of miles for the Sewer Reconstruction Programs as planned.	Miles of sewer mains designed vs. planned.	122	57	29	45	10	20*
Design the number of sewer manholes as planned.	Number of sewer manholes designed vs. planned.	1,142	722	183	1,186	231	29
Replace the number of miles for the Water Reconstruction Program as planned.	Miles of water mains replaced vs. planned.	39	53	43	53	43	43
Rehabilitate the number of miles of sewer mains and lateral lines for the Sewer Reconstruction and Trunk Sewer Reconstruction Programs as planned.	Miles of sewer mains and lateral lines rehabilitated vs. planned.	60	39	56	39	56	55

* In FY'17 the design miles include both small and large diameter sewer mains.

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(Continued)

Goal: Improve facility operations by updating industrial automation systems.

Group(s): Process Control

Strategic Priority: Sustain Infrastructure

Objective	Outcome Measure	FY 2014		FY 2015		FY 2016	FY 2017
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
Upgrade planned number of Programmable Logic Controllers (PLC).	Number of PLC upgraded vs. planned.	3	3	3	3	3	3
Upgrade or install new Uninterruptable Power Supplies (UPS) to improve electrical reliability for the PLC Systems.	Number of UPS upgraded vs. planned.	3	4	3	3	3	3
Install operator interfacing terminals at plants and facilities.	Number of operator interfacing terminals installed vs. planned.	2	1	1	1	N/A*	N/A*

* Installation of operator interfacing terminals at plants and facilities is anticipated to be completed.

Goal: Ensure Significant Industrial Users' compliance with EPA regulatory

Group(s): Regulatory Services

Strategic Priority: Demonstrate Environmental Stewardship

Objective	Outcome Measure	FY 2014		FY 2015		FY 2016	FY 2017
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
Inspect all Significant Industrial Users annually and conduct necessary follow up inspections.	Number of required inspections of Significant Industrial Users performed vs. number of Significant Industrial Users.	100%	100%	100%	100%	100%	100%
	Number of follow up inspections of Significant Industrial Users.	25	39	25	26	25	25
Collect samples from all Significant Industrial Users as required in their permit.	Number of Significant Industrial User samples collected vs. number of samples required.	300	300	300	300	300	300
	Number of additional samples taken of Significant Industrial Users.	750	849	750	858	850	850

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(Continued)

Goal: Provide timely review of site utility plans and ensure compliance with plumbing and gasfitting regulations.

Group(s): Development Services,
Regulatory Services

Strategic Priority: Sustain Infrastructure

Objective	Outcome Measure	FY 2014		FY 2015		FY 2016	FY 2017
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
Complete 1 st review of site utility plans within eight weeks of submission.	Percentage of 1 st reviews completed within eight weeks.	95%	100%	100%	100%	100%	100%
Conduct 99.9% of all requests for inspections to ensure compliance with plumbing and gasfitting regulations.	Percentage of requested plumbing/gasfitting inspections conducted.	99.96%	100.00%	99.96%	100.00%	99.96%	99.96%

Goal: Comply with the FOG provisions of the Consent Decree.

Group(s): Regulatory Services

Strategic Priority: Demonstrate Environmental Stewardship

Objective	Outcome Measure	FY 2014		FY 2015		FY 2016	FY 2017
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
Conduct 100% of all mandatory Consent Decree FOG initial inspections.	Percentage of initial FOG inspections completed vs. planned.	100%	100%	100%	100%	100%	100%

Goal: Manage paving contracts to meet time restrictions for work directed on a non-emergency basis.

Group(s): Systems Inspection

Strategic Priority: Deliver Excellent Customer Service

Objective	Outcome Measure	FY 2014		FY 2015		FY 2016	FY 2017
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
On State highways, the paving contractor shall complete paving repairs within 30 calendar days.	Percentage of paving repairs that are completed within 30 calendar days.	80%*	47% *	80%	56%	80%	70%
On all other roadways, sidewalks, driveways, curbs, and gutters, the contractor shall complete paving repairs within 35 calendar days.	Percentage of paving repairs that are completed within 35 calendar days.	90%	60%	90%	79%	80%	85%

* Based on 14 Calendar Days

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(Continued)

Goal: Manage construction contracts to minimize extra expense while still ensuring quality construction.

Group(s): Systems Inspection
Strategic Priority: Ensure Financial Sustainability

Objective	Outcome Measure	FY 2014		FY 2015		FY 2016	FY 2017
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
Manage change orders to ensure minimum amount of contract increases.	Dollar value of change orders as a percentage of bid amount for Systems Inspection contracts completed.	0.5%	0.8%	0.0%	2.5%	0.0%	1.0%

Goal: Identify deteriorating infrastructure through inspection, testing and monitoring.

Group(s): Technical Services
Strategic Priority: Sustain Infrastructure

Objective	Outcome Measure	FY 2014		FY 2015		FY 2016	FY 2017
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
Inspect the number of dams as planned.	Number of dams inspected vs. planned.	3	3	3	3	3	3
Provide corrosion design and repair recommendations based upon corrosion test readings.	Number of corrosion test stations read vs. planned.	300	310	300	485	300	300

Goal: Eliminate/Minimize adverse environmental impacts associated with accelerated soil erosion and sediment control of major pipeline projects.

Group(s): Technical Services
Strategic Priority: Demonstrate Environmental Stewardship

Objective	Outcome Measure	FY 2014		FY 2015		FY 2016	FY 2017
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
Provide timely inspections for erosion and sediment control of major pipeline projects.	Percentage of bi-weekly inspections of each major pipeline project performed as required by law.	100%	90%	100%	100%	100%	100%

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(Continued)

PRODUCTION TEAM

Goal: Comply with state and federal standards for safe drinking water.

Group(s): Potomac, Patuxent
Strategic Priority: Deliver Excellent Customer Service

Objective	Outcome Measure	FY 2014		FY 2015		FY 2016	FY 2017
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
Maintain compliance with Safe Drinking Water Act requirements to ensure safe, pure drinking water.	Number of times the maximum contaminant levels established by the EPA were exceeded:						
	Potomac Water Filtration Plant	0	0	0	0	0	0
	Patuxent Water Filtration Plant	0	0	0	0	0	0
Achieve optimized coagulation and filtration to maintain filtered water turbidity at or below 0.1 Nephelometric Turbidity Units (NTU).	Average filtered water turbidity (NTU):						
	Potomac Water Filtration Plant	<0.08	0.03	<0.08	0.03	<0.08	<0.08
	Patuxent Water Filtration Plant	<0.08	0.03	<0.08	0.03	<0.08	<0.08
Keep the level of potential carcinogens (trihalomethanes) in the finished water below 80 micrograms per liter, the standard established by the EPA.	The highest quarter local value rolling annual average of trihalomethanes in the distribution system (mg/1).	<50.0	60.8	<64.0	61	<64.0	<64.0

Goal: Consistently return clean wastewater to the environment in a manner that meets or exceeds all state and federal standards.

Group(s): Piscataway, Western Branch, Parkway, Seneca/Damascus/Hyattstown
Strategic Priority: Demonstrate Environmental Stewardship

Objective	Outcome Measure	FY 2014		FY 2015		FY 2016	FY 2017
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
Maintain compliance with NPDES permit requirements at the WSSC's wastewater treatment plants.	Number of process-related non-compliances for the WSSC's wastewater treatment plants.	4	17	4	0	4	2

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(Continued)

LOGISTICS OFFICE

Goal: Achieve and maintain high levels of productivity in the provision of vehicle and equipment maintenance services.

Group(s): Fleet Services
Strategic Priority: Optimize Workforce Management

Objective	Outcome Measure	FY 2014		FY 2015		FY 2016	FY 2017
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
Reduce vehicle and equipment down time to an average of 55 hours or less per shop visit.	Average down time per shop visit (hours).	55	80	55	75	60	75

Goal: Achieve and maintain high levels of efficiency and accuracy in the management of warehouse operations.

Group(s): Fleet Services, Materials Management
Strategic Priority: Deliver Excellent Customer Service

Objective	Outcome Measure	FY 2014		FY 2015		FY 2016	FY 2017
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
Manage inventory levels to maintain warehouse and vehicle parts inventory turnover at four times per year or higher.	Number of times the warehouse inventory turns over annually.	2.0	3.1	2.0	2.4	2.0	2.0
	Number of times the vehicle parts inventory turns over annually.	4.0	4.0	4.0	4.0	4.0	4.0
Maintain the accuracy of the warehouse inventory at 95% or higher and vehicle parts inventory at 97% or higher.	Accuracy of warehouse inventory (from monthly cycle counts).	95.0%	99.9%	95.0%	99.9%	95%	95.0%
	Accuracy of vehicle parts inventory (from established cycle counts).	99.9%	99.0%	99.9%	98.0%	99.9%	99.0%

Goal: Maintain the safety and security of WSSC property, personnel, and the general public through the deterrence and prevention of crimes on WSSC property.

Group(s): Police and Security Services
Strategic Priority: Ensure Security and Safety

Objective	Outcome Measure	FY 2014		FY 2015		FY 2016	FY 2017
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
Limit the occurrence of crime on WSSC property to ≤ 250 incidents.	Number of crimes reported on WSSC property.	250	175	200	190	200	205

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(Continued)

Goal: Ensure that the WSSC is a safe place to work.

Group(s): Occupational Safety and Health
Strategic Priority: Ensure Security and Safety

Objective	Outcome Measure	FY 2014		FY 2015		FY 2016	FY 2017
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
Limit the occurrence of on-the-job injuries to WSSC employees to \leq 130 and lost-time injuries to \leq 65.	Number of injuries reported by WSSC employees:						
	On-the-job injuries	125	115	125	116	125	125
	Lost-time injuries	30	8	30	48	30	40
Reduce the number of on-the-job vehicular accidents involving WSSC employees to \leq 150.	Number of vehicular accidents involving WSSC employees.	150	147	150	187	150	150

Goal: Provide regular, effective training to WSSC employees concerning Commission safety policies and practices.

Group(s): Occupational Safety and Health
Strategic Priority: Ensure Security and Safety

Objective	Outcome Measure	FY 2014		FY 2015		FY 2016	FY 2017
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
Maintain average overall ratings for safety training classes of at least 4.0 (where 4=good, 5=excellent).	Average overall ratings by trainees for safety training classes.	4.8	4.9	4.8	4.8	4.8	4.8

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(Continued)

FINANCE OFFICE

Goal: Minimize borrowing costs.

Group(s): Finance Office
Strategic Priority: Ensure Financial Sustainability

Objective	Outcome Measure	FY 2014		FY 2015		FY 2016	FY 2017
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
Issue water/sewer bonds at least 25 basis points below the 20 Bond Buyer Index Rate on the date of issuance. (A basis point is an interest rate unit of measurement of one hundredth of one percent.)	Difference (in basis points) between the 20 Bond Buyer Index Rate and the cost of water/sewer bonds on the date of issuance (average of 2 bond sales).	≥25 basis points	101 basis points	≥25 basis points	49 basis points	≥25 basis points	≥25 basis points
Maintain FitchRatings, Moody's, and/or Standard and Poor's bond ratings of AAA/Aaa/AAA.	Bond ratings (FitchRatings/Moody's/Standard and Poor's).	AAA/Aaa/AAA	AAA/Aaa/AAA	AAA/Aaa/AAA	AAA/Aaa/AAA	AAA/Aaa/AAA	AAA/Aaa/AAA

Goal: Maximize investment returns within the constraints of Maryland law and adopted investment policy.

Group(s): Retirement
Strategic Priority: Ensure Financial Sustainability

Objective	Outcome Measure	FY 2014		FY 2015		FY 2016	FY 2017
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
Manage WSSC investment portfolio relative to the 91-day T-bill (U.S. Treasury bill) rate. (In a rising market, targeted earnings are 25 basis points below. In a falling rate market, target is 25 basis points above.)	Difference in basis points on 91-day T-bill rate.	Even	5 basis points above	Even	3 basis points above	Even	Even
Meet or exceed the 8% actuarial assumption for Retirement Fund investment returns on an annualized 10-year basis.	Annualized 10-year return on Retirement Fund investments as of June 30.	5.4%	6.6%	5.7%	6.6%	6.4%	5.5%

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(Continued)

Goal: Accurately assess front foot benefit charges against all properties abutting recent extensions to the WSSC’s water and sewer systems.

Group(s): Revenue
Strategic Priority: Deliver Excellent Customer Service

Objective	Outcome Measure	FY 2014		FY 2015		FY 2016	FY 2017
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
Accurately calculate and assess all new front foot benefit charges.	Percentage of newly assessed property owners who successfully appeal the front foot benefit charge proposed by the WSSC.	0.01%	0.00%	0.01%	0.00%	0.01%	0.01%

Goal: Provide financial reports that are useful, timely, and accurate.

Group(s): Accounting
Strategic Priority: Ensure Financial Sustainability

Objective	Outcome Measure	FY 2014		FY 2015		FY 2016	FY 2017
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
Prepare monthly financial reports within 20 days of the end of the month and the annual report within 90 days of the end of the fiscal	Percentage of financial reports prepared on time.	100%	100%	100%	100%	100%	100%
Avoid the need for any prior period adjustments to financial reports unrelated to changes issued by the Governmental Accounting Standards Board (GASB).	Number of prior period financial adjustments required.	0	0	0	0	0	0

Goal: Maintain proper accounting in accordance with Generally Accepted Accounting Principles (GAAP) and the Government Accounting Standards Board (GASB).

Group(s): Retirement, Accounting
Strategic Priority: Ensure Financial Sustainability

Objective	Outcome Measure	FY 2014		FY 2015		FY 2016	FY 2017
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
Receive no finance-related “significant deficiencies” recommendations from the external auditor for the Commission’s financial statements.	Number of finance-related external auditor recommendations of “significant deficiencies” received.	0	0	0	0	0	0
Receive no recommendations from the external auditor regarding “significant deficiencies” for the Retirement Plan.	Number of Retirement Plan-related external auditor recommendations of “significant deficiencies” received.	0	0	0	0	0	0

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(Continued)

Goal: Process financial transactions quickly and accurately.

Group(s): Revenue, Disbursements
Strategic Priority: Ensure Financial Sustainability

Objective	Outcome Measure	FY 2014		FY 2015		FY 2016	FY 2017
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
Utilize at least 95.0% of available vendor discounts.	Percentage of available vendor discounts taken.	98.0%	92.4%	98.5%	95.2%	95.0%	96.0%
Post at least 95.5% of customer remittances on the day received.	Percentage of customer remittances posted on the same day.	99.5%	99.6%	99.5%	99.7%	99.5%	99.5%
Post at least 99.9% of customer remittances correctly.	Percentage of remittances posted correctly.	99.9%	99.9%	99.9%	99.9%	99.9%	99.9%

Goal: Ensure the long-term fiscal stability and soundness of the Commission.

Group(s): Budget
Strategic Priority: Ensure Financial Sustainability

Objective	Outcome Measure	FY 2014		FY 2015		FY 2016	FY 2017
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
Maintain an end-of-year fund balance (accumulated net revenue) of at least 10 percent of water and sewer revenue as a reserve.	Combined end-of-year fund balance for the water and sewer operating funds (\$ millions)/Percent of water and sewer revenue.	\$87.3/ 15.3%	\$153.3/ 28.5%	\$125.4/ 21.4%	\$139.5/ 24.8%	\$110.1/ 18.9%	\$105.6/ 16.7%
Maintain FitchRatings, Moody's, and/or Standard and Poor's bond ratings of AAA/Aaa/AAA.	FitchRatings/Moody's/Standard and Poor's bond ratings.	AAA/Aaa/ AAA	AAA/Aaa/ AAA	AAA/Aaa/ AAA	AAA/Aaa/ AAA	AAA/Aaa/ AAA	AAA/Aaa/ AAA

Goal: Produce a sound, affordable capital spending program.

Group(s): Budget
Strategic Priority: Ensure Financial Sustainability

Objective	Outcome Measure	FY 2014		FY 2015		FY 2016	FY 2017
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
Reduce the amount of rate-supported water and sewer debt to 30% or less of total water and sewer operating expenditures.	Ratio of water and sewer debt service to total water and sewer operating expenditures.	34.2%	36.0%	33.5%	35.5%	34.0%	34.0%

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(Continued)

Goal: Accurately forecast Commission revenues and expenditures.

Group(s): Budget
Strategic Priority: Ensure Financial Sustainability

Objective	Outcome Measure	FY 2014		FY 2015		FY 2016	FY 2017
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
Accurately forecast annual water production.	Difference (in millions of gallons per day) between actual and budgeted water production.	0.0	9.4	0.0	5.1	0.0	0.0
	Percentage difference between actual and budgeted water production.	0.0%	5.5%	0.0%	3.0%	0.0%	0.0%
Accurately forecast revenues from water and sewer use charges.	Difference between actual and budgeted revenues from water and sewer use charges (\$ millions).	\$0.0	-\$33.7	\$0.0	-\$23.9	\$0.0	\$0.0
	Percentage difference between actual and budgeted water and sewer use charges.	0.0%	-5.9%	0.0%	-4.1%	0.0%	0.0%
Accurately project non-debt service water and sewer operating expenditures.	Difference (\$ millions) between actual and budgeted water and sewer operating expenditures (excluding debt service).	\$0.0	-\$56.8	\$0.0	-\$46.0	\$0.0	\$0.0
	Percentage difference between actual and budgeted water and sewer operating expenditures (excluding debt service).	0.0%	-13.5%	0.0%	-10.2%	0.0%	0.0%

Goal: Exhibit excellence in budgeting as judged by our peers.

Group(s): Budget
Strategic Priority: Ensure Financial Sustainability

Objective	Outcome Measure	FY 2014		FY 2015		FY 2016	FY 2017
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
Earn the Distinguished Budget Presentation Award from the Government Finance Officers Association (GFOA).	Receipt of GFOA's Distinguished Budget Presentation Award.	Yes	Yes	Yes	Yes	Yes	Yes

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(Continued)

UTILITY SERVICES TEAM

Goal: Accurately bill and collect for all metered water use.

Group(s): Utility Enhancement Support
Strategic Priority: Ensure Financial Sustainability

Objective	Outcome Measure	FY 2014		FY 2015		FY 2016	FY 2017
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
Accurately record and report all meter readings.	Percentage of meter readings reported and recorded accurately.	99.9%	99.9%	99.9%	81.0%	99.9%	85.0%

Goal: Accurately account for water produced in the distribution system.

Group(s): Utility Services North, West, Central, South
Strategic Priority: Ensure Financial Sustainability

Objective	Outcome Measure	FY 2014		FY 2015		FY 2016	FY 2017
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
Reduce service interruptions due to water main breaks.	Number of breaks per 100 miles of water main.	34.0	34.8	33.0	49.7	33.0	50.0
Perform annual testing of all large water meters whose daily average registration exceeds 20,000 gallons.	Percentage of all large water meters tested annually.	100.0%	N/A	100.0%	100.0%	100.0%	100.0%

Goal: Provide a quick response time to customer problems or system emergencies.

Group(s): Utility Services North, West, Central, South
Strategic Priority: Deliver Excellent Customer Service

Objective	Outcome Measure	FY 2014		FY 2015		FY 2016	FY 2017
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
Respond within 2 hours to customers' emergency telephone calls.	Percentage of emergencies responded to within 2 hours of receipt of customer calls.	89.0%	82.0%	95.0%	81.0%	85.0%	85.0%
	Average response time to emergency calls (in hours).	1.1	1.3	1.2	1.5	1.2	1.2

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(Continued)

Goal: Minimize inconvenience caused by disruptions in service.

Group(s): Utility Services North, West,
Central, South

Strategic Priority: Deliver Excellent Customer Service

Objective	Outcome Measure	FY 2014		FY 2015		FY 2016	FY 2017
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
Restore normal water service within 24 hours.	Percentage of customers whose water service was restored within 24 hours.	80.0%	74.5%	80.0%	80.0%	80.0%	75.0%
	Average time from notification of system problem to restoration of water service (in hours).	14.0	17.6	14.0	18.6	16.0	16.0
Limit time without water due to a service interruption to less than 6 hours.	Percentage of customers without water service for less than 6 hours.	95.0%	76.5%	95.0%	86.1%	90.0%	90.0%
	Average time without water (in hours).	3.0	4.2	3.4	4.1	4.0	4.0
Reduce the number of discolored water complaints.	Number of discolored water complaints.	1,400	1,298	1,350	4,252	1,300	2,500
	Areas with chronic discolored water problems which are on a routine flushing schedule.	52	36	52	58	50	60
Prevent a second sewer backup from occurring for at least 95% of customers experiencing an initial main line blockage.	Percentage of customers not experiencing a second backup after notifying the WSSC of a main line sewer blockage.	95.0%	84.7%	95.0%	99.2%	90.0%	95.0%

Goal: Increase the production of in-house water main replacements by Utility Enhancement Support staff.

Group(s): Utility Enhancement Support
Strategic Priority: Sustain Infrastructure

Objective	Outcome Measure	FY 2014		FY 2015		FY 2016	FY 2017
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
Replace the number of miles of water main by in-house staff as planned.	Miles of water main replaced by in-house crews vs. planned.	12.0	8.5	12.0	11.5	12.0	12.0

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(Continued)

Goal: Inspect sewer infrastructure to ensure a reliable sewer collection system.

Group(s): Utility Management
Strategic Priority: Sustain Infrastructure

Objective	Outcome Measure	FY 2014		FY 2015		FY 2016	FY 2017
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
Inspect, via closed circuit television, the number of miles of sewer main planned.	Miles of sewer main inspected via closed circuit television vs. planned.	380	143	320	246	300	300
Inspect, via smoke test, the number of miles of sewer main planned.	Miles of sewer main inspected via smoke test vs. planned.	5.0	2.8	5.0	3.0	5.0	5.0

Goal: Identify deteriorating infrastructure through inspection, testing and monitoring.

Group(s): Utility Management
Strategic Priority: Sustain Infrastructure

Objective	Outcome Measure	FY 2014		FY 2015		FY 2016	FY 2017
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
Inspect the number of Prestressed Concrete Cylinder Pipe (PCCP) miles as planned.	Miles of PCCP inspection performed vs. planned.	19.0	14.3	18.0 *	19.8	20.0	18.0
Install acoustical fiber optic line to monitor PCCP water transmission mains as planned.	Miles of acoustical fiber optic line installed vs. planned.	10.0	2.6	10.0 *	4.9	6.0	6.0

* Transferred to Utility Management Group from Technical Services Group (Engineering & Construction Team).

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(Continued)

CUSTOMER RELATIONS TEAM

Goal: Promptly and courteously answer all telephone calls.

Group(s): Customer Relations
Strategic Priority: Deliver Excellent Customer Service

Objective	Outcome Measure	FY 2014		FY 2015		FY 2016	FY 2017
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
Attain a 95% success rate for answering non-emergency calls.	Percentage of non-emergency calls answered.	95.0%	84.0%	90.0%	88.0%	90.0%	90.0%
Maintain a 95% success rate for answering all emergency calls.	Percentage of emergency calls answered.	95.0%	96.0%	95.0%	88.0%	96.0%	90.0%

Goal: Accurately bill and collect for all metered water use.

Group(s): Customer Relations
Strategic Priority: Ensure Financial Sustainability

Objective	Outcome Measure	FY 2014		FY 2015		FY 2016	FY 2017
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
Generate water and sewer bills based on actual consumption rather than estimated consumption.	Percentage of customer bills based on actual consumption (e.g., actual meter readings).	96.0%	97.0%	96.0%	96.2%	96.0%	96.0%
Collect all billed water and sewer use charges on a timely basis.	Percentage of billed water and sewer accounts considered delinquent.	10.0%	10.0%	10.0%	11.0%	10.0%	11.0%

Goal: Provide a quick response time to customer problems or system emergencies.

Group(s): Customer Relations
Strategic Priority: Deliver Excellent Customer Service

Objective	Outcome Measure	FY 2014		FY 2015		FY 2016	FY 2017
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
Respond within 14 (calendar) days to all written correspondence received.	Percentage of customer correspondence responded to within 14 (calendar) days.	95.0%	92.0%	90.0%	98.0%	80.0%	95.0%
Achieve 100% closure of open claims.	Percentage of claims closed.	100.0%	76.0%	100.0%	73.0%	80.0%	80.0%

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(Continued)

Goal: Maintain a high level of customer satisfaction by providing exceptional maintenance support.

Group(s): Customer Relations
Strategic Priority: Deliver Excellent Customer Service

Objective	Outcome Measure	FY 2014		FY 2015		FY 2016	FY 2017
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
Ensure that a minimum of 85% of claimants are "satisfied" or "delighted" with their settlement from the WSSC.	Percentage of claimants who have received a settlement from the WSSC that rate themselves "satisfied" or "delighted".	95.0%	100.0%	95.0%	100.0%	100.0%	100.0%

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(Continued)

INFORMATION TECHNOLOGY TEAM

Goal: Evaluate, develop, and deliver quality, cost-effective application systems that support the core business operations of the Commission.

Group(s): IT Team Office, IT Implementations
Strategic Priority: Ensure Financial Sustainability

Objective	Outcome Measure	FY 2014		FY 2015		FY 2016	FY 2017
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
Deliver Enterprise Technology Initiatives to support the Commission's business needs, on-time and within budget, 90% of the time. (* Enterprise Technology Initiatives are defined as multi-year, enterprise system implementation initiatives covered under the IT Strategic Plan).	Percentage of Enterprise Technology Initiatives implemented on-time.	90%	92%	90%	86%	90%	90%
	Percentage of Enterprise Technology Initiatives implemented within budget.	90%	100%	90%	100%	90%	90%
Deliver IT projects to support the Commission's business needs, on-time and within budget, 90% of the time. (* IT projects are defined as short-term business or IT infrastructure projects).	Percentage of IT projects implemented on-time.	90%	95%	90%	90%	75%	75%
	Percentage of IT projects implemented within budget.	90%	95%	90%	100%	75%	75%

Goal: Provide a "One Stop Shop" for efficient IT problem resolution and service delivery.

Group(s): IT Operations
Strategic Priority: Deliver Excellent Customer Service

Objective	Outcome Measure	FY 2014		FY 2015		FY 2016	FY 2017
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
Maintain a high level of customer satisfaction by resolving 90% of calls to the Helpdesk during the initial call.	Percentage of total calls to the Helpdesk achieving First Contact Resolution (FCR).	90%	98%	90%	96%	92%	92%
Respond to service tickets (for incidents and service requests) within the defined Service Level Agreement (SLA).	Percentage of incidents resolved within 3 business days.	90%	95%	90%	95%	92%	92%
	Percentage of service requests delivered within 5 days.	90%	92%	90%	94%	92%	92%

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(Continued)

Goal: Provide reliable computing services to all users in order to deliver information and data in the timeframes required to support decisions.

Group(s): Network Infrastructure and Data Center Operations

Strategic Priority: Sustain Infrastructure

Objective	Outcome Measure	FY 2014		FY 2015		FY 2016	FY 2017
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
Ensure the uptime and availability of critical business systems, 97% of the time.	Percentage of time that the critical systems are available.	100%	99%	100%	99%	100%	97%
Ensure the uptime and availability of the network, 97% of the time.	Percentage of time that the network is available across all Commission sites.	100%	100%	100%	99%	100%	97%

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(Continued)

STAFF OFFICES

Goal: Provide cost-effective internal audit services.

Group(s): Internal Audit
Strategic Priority: Ensure Financial Sustainability

Objective	Outcome Measure	FY 2014		FY 2015		FY 2016	FY 2017
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
In fiscal years where Blue Plains audit reports are issued, achieve an internal audit payback ratio in excess of 1:1 (e.g., the Commission should receive more dollars from internal audits than it spends on internal audits).	Ratio of financial savings from internal audits to Internal Audit costs, excluding the costs associated with external audit services and the WSSC Commissioners.	1:1	1:1	1:1	1:1	1:1	1:1
Ensure accurate reimbursements via performed audits.	<u>SDC</u> : Total audit-based adjustment in Developer-requested reimbursements for CIP construction.	\$500,000	\$904,473	\$500,000	\$254,311	\$500,000	\$500,000
	<u>Blue Plains</u> : Total audit-based adjustment in Blue Plains O&M and Capital Indirect Billing.	\$1,000,000	\$0	\$1,000,000	\$1,318,207	\$1,000,000	\$1,000,000

Goal: Ensure active participation in, and full voice for, the WSSC's legislative priorities.

Group(s): Intergovernmental Relations Office
Strategic Priority: Enhance Communications and Stakeholder Relationships

Objective	Outcome Measure	FY 2014		FY 2015		FY 2016	FY 2017
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
Assist the General Manager/Chief Executive Officer and other WSSC officials in providing testimony or briefings, representing WSSC at bill hearings, work sessions, markups, and other meetings at the County, State, and Federal governments.	Percentage of required bill hearings, worksessions, and delegation/committee meetings attended.	100%	100%	100%	100%	100%	100%

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(Continued)

Goal: Disseminate accurate and timely information regarding legislation impacting the WSSC to employees and stakeholders.

Group(s): Intergovernmental Relations Office
Strategic Priority: Enhance Communications and Stakeholder Relationships

Objective	Outcome Measure	FY 2014		FY 2015		FY 2016	FY 2017
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
Keep WSSC employees and Commissioners informed of County, State, and Federal legislation impacting WSSC.	Percentage of monthly federal updates required to be sent to all management vs. actual updates sent.	100%	100%	100%	100%	100%	100%

Goal: As the Commission's liaison, build and maintain strong partnerships with elected officials and their staff.

Group(s): Intergovernmental Relations Office
Strategic Priority: Enhance Communications and Stakeholder Relationships

Objective	Outcome Measure	FY 2014		FY 2015		FY 2016	FY 2017
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
Develop and maintain relationships with elected officials and staff members to advance WSSC's interests.	Percentage of legislative events, receptions, and outreach activities scheduled vs. actual events held.	N/A*	N/A*	100%	100%	100%	100%
Respond to elected officials' requests, including those originating from their constituents and staff.	Percentage of responses to inquiries provided within three business days.	N/A*	N/A*	100%	100%	100%	100%
Schedule educational site visits to WSSC facilities and briefings for elected officials and staff at the County, State, and Federal level.	Percentage of educational site visits and briefings conducted vs. scheduled.	N/A*	N/A*	100%	100%	100%	100%

* New Goal for FY'15.

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(Continued)

Goal: Support the achievement of the Commission's goals.

Group(s): Strategic Systems Management Office

Strategic Priority: Deliver Excellent Customer Service

Objective	Outcome Measure	FY 2014		FY 2015		FY 2016	FY 2017
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
Facilitate the use of management best practices in completion of enterprise initiatives and projects.	Percentage of annual enterprise initiatives that utilized SSMO consulting services for achievement of outcomes.	50%	31%	25%	45%	25%	25%

Goal: Align organizational goals with the Commission's vision, mission, and strategic priorities.

Group(s): Strategic Systems Management Office

Strategic Priority: Deliver Excellent Customer Service

Objective	Outcome Measure	FY 2014		FY 2015		FY 2016	FY 2017
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
Facilitate alignment of annual workplan initiatives with the Commission's Strategic Priorities.	Percentage of Initiatives linked to Strategic Priorities.	100%	100%	100%	100%	100%	100%
	Percentage of performance scorecards that exist for each team and office.	N/A*	N/A*	25%	33%	50%	60%

* New Goal for FY'15.

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(Continued)

Goal: Disseminate accurate and timely information to WSSC customers and stakeholders.

Group(s): Communications & Community Relations Office

Strategic Priority: Enhance Communications and Stakeholder Relationships

Objective	Outcome Measure	FY 2014		FY 2015		FY 2016	FY 2017
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
Provide customers with up-to-date information on the WSSC and its activities/events.	Satisfy EPA requirements by producing the Annual Water Quality Report by close of fiscal year.	Yes	Yes	Yes	Yes	Yes	Yes
	Number of Quarterly Pipeline bill inserts produced and distributed vs. planned.	4	4	4	4	4	4
	Build social media following on Twitter and Facebook to expand our reach to customers. (# Followers/Social Media Program)	1,007 Facebook/ 1,390 Twitter	1,007 Facebook/ 1,390 Twitter	1,300 Facebook/ 2,000 Twitter	1,441 Facebook/ 2,376 Twitter	2,000 Facebook/ 3,000 Twitter	3,000 Facebook/ 5,000 Twitter
	Post all news releases on WSSC website home page.	Yes	Yes	Yes	Yes	Yes	Yes

Goal: Achieve fair and accurate media coverage for the WSSC.

Group(s): Communications & Community Relations Office

Strategic Priority: Enhance Communications and Stakeholder Relationships

Objective	Outcome Measure	FY 2014		FY 2015		FY 2016	FY 2017
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
Respond to local media inquiries within one hour of request for information.	Percentage of responses to inquiries provided within one hour.	98%	98%	98%	98%	98%	98%
Remain continuously accessible (24/7) to local media.	Number of days per year accessible to local media.	365	365	365	365	365	365

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(Continued)

Goal: Disseminate accurate and timely information to WSSC customers and stakeholders.

Group(s): Communications & Community Relations Office

Strategic Priority: Enhance Communications and Stakeholder Relationships

Objective	Outcome Measure	FY 2014		FY 2015		FY 2016	FY 2017
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
Educate constituencies on the three components of the WSSC's services: water, wastewater, and source water protection.	Number of educational events prepared and presented to local schools.	35	30	35	62	35	75
	Plan and execute presentations for community-level service groups and associations (e.g. Fats, Oils, and Grease (FOG) Program, Infrastructure, WSSC educational-related issues, media appearances).	20	16	15	133	15	150
	Partner with outside agencies to plan/execute events (e.g. stream/road cleanups, water festival, and campfire).	9	9	9	15	9	20
	Number of community outreach events conducted (e.g. H2O Summit, Children's Water Festival, tree plantings, and invasive weed removals).	25	25	25	26	25	30

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(Continued)

Goal: Disseminate accurate and timely information to WSSC employees.

Group(s): Communications & Community Relations Office

Strategic Priority: Optimize Workforce Management

Objective	Outcome Measure	FY 2014		FY 2015		FY 2016	FY 2017
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
Inform employees about WSSC news.	Publish Fish Tales and distribute to Depots monthly (in addition to providing on-line).	12	11	12	9	12	12
Communicate new initiatives/programs to employees.	Execute campaigns to communicate new or special initiatives, programs, etc., to employees.	5	5	5	5	5	5

Goal: Provide support for WSSC programs/projects as required.

Group(s): Communications & Community Relations Office

Strategic Priority: Demonstrate Environmental Stewardship

Objective	Outcome Measure	FY 2014		FY 2015		FY 2016	FY 2017
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
Increase public awareness of Consent Decree related issues, such as the Fats, Oils, and Grease (FOG) Program.	Fulfill Consent Decree requirement to issue news releases for all SSOs over 10,000 gallons within 24 hours.	Yes	Yes	Yes	Yes	Yes	Yes
	Promote "Can The Grease" to media at least 3 times per year.	3	3	3	3	3	3
	Provide FOG-related educational materials and promotional items to distribute to customers.	10,000	10,000	10,000	10,000	10,000	10,000

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(Continued)

Goal: Continuous improvement of Human Resources operations.

Group(s): Human Resources Office
Strategic Priority: Optimize Workforce Management

Objective	Outcome Measure	FY 2014		FY 2015		FY 2016	FY 2017
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
Review and update Human Resources policies and procedures on an ongoing basis.	Percentage of policies and procedures identified as priority and critical for revision having been prioritized, revised, and communicated to all employees.	100%	35%	100%	50%	100%	100%

Goal: Ensure the WSSC is fully compliant with all regulatory requirements.

Group(s): Human Resources Office
Strategic Priority: Optimize Workforce Management

Objective	Outcome Measure	FY 2014		FY 2015		FY 2016	FY 2017
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
Ensure all employees are aware of WSSC policies and employment regulatory requirements, through communication and education.	Percentage of employees trained in the required employment areas.	100%	100%	100%	100%	100%	100%

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(Continued)

Goal: Increase Small, Local and Minority Business Enterprise (SLMBE) participation in WSSC programs.

Group(s): Small, Local and Minority Business Enterprise Office

Strategic Priority: Integrate Supply Chain Management and Supplier Diversity

Objective	Outcome Measure	FY 2014		FY 2015		FY 2016	FY 2017
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
Increase the number of registered and certified Minority Business Enterprises (MBEs) by 5%.	Total number of registered and certified MBEs/Annual percentage increase/decrease in newly registered MBEs.	927/ +10.0%	522/ -20.1%	790/ +10.0%	723/ +38.5%	575/ +5.0%	797/ +5.0%
Increase the number of approved Small Local Business Enterprises (SLBEs) by 5%.	Total number of approved SLBEs/Annual percentage increase/decrease in newly approved SLBEs.	332/ +5.0%	344/ +5.5%	359/ +5.0%	275/ -20.1%	374/ +5.0%	303/ +5.0%
Increase the number of contracts awarded to certified MBEs by 5%.	Total number of contracts awarded to certified MBEs/Annual percentage increase/decrease in contracts awarded to MBEs.	398/ +5.0%	308/ +8.1%	314/ +5.0%	400/ +29.9%	338/ +5.0%	441/ +5.0%
Increase the number of contracts awarded to approved Small Local Business Enterprises (SLBEs) by 5%.	Total number of contracts awarded to SLBEs/Annual percentage increase/decrease in contracts awarded to SLBEs.	188/ +10.0%	24/ -57.1%	68/ +10.0%	22/ -9.1%	30/ +8.0%	24/ +5.0%

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(Continued)

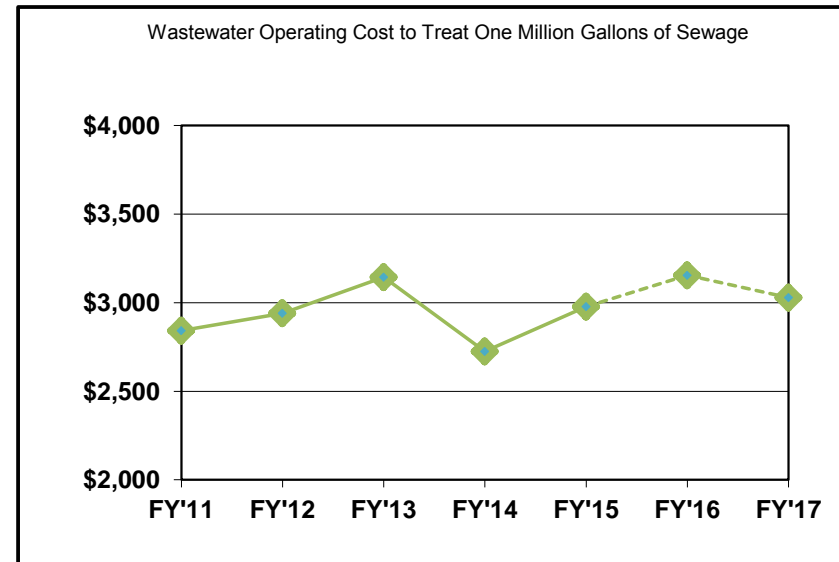
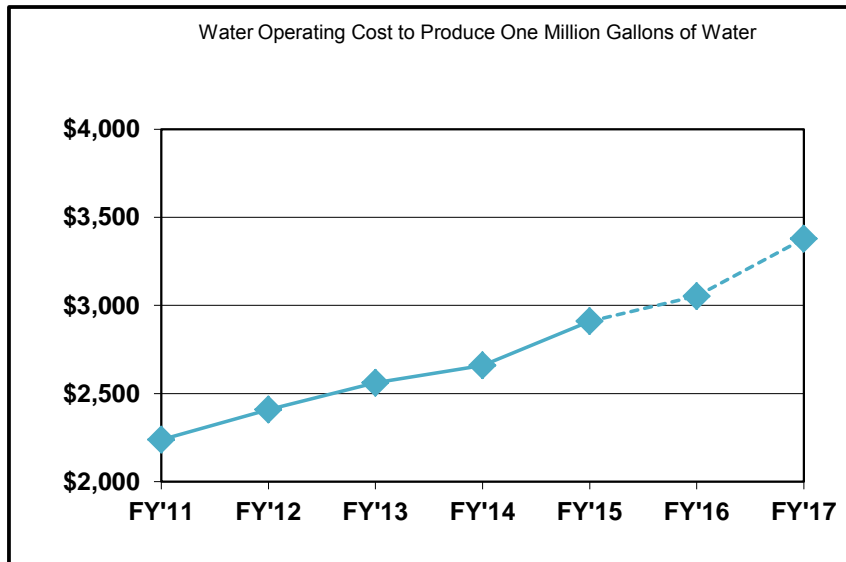
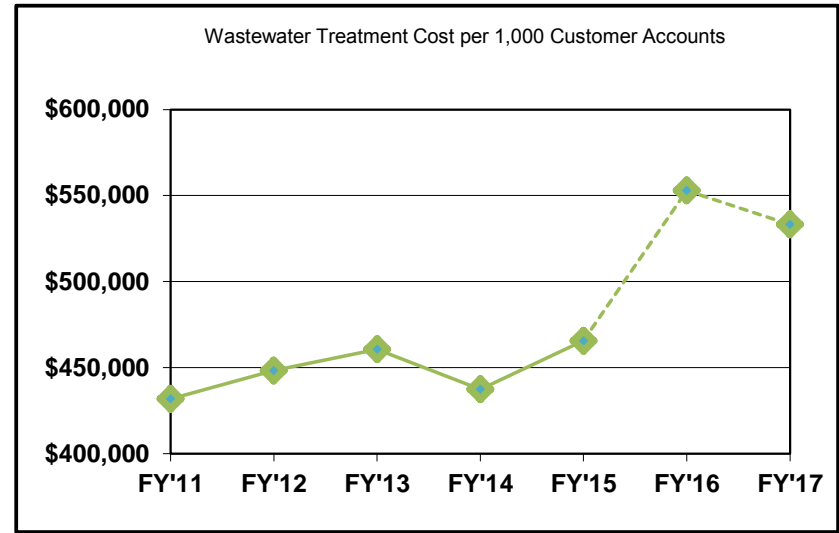
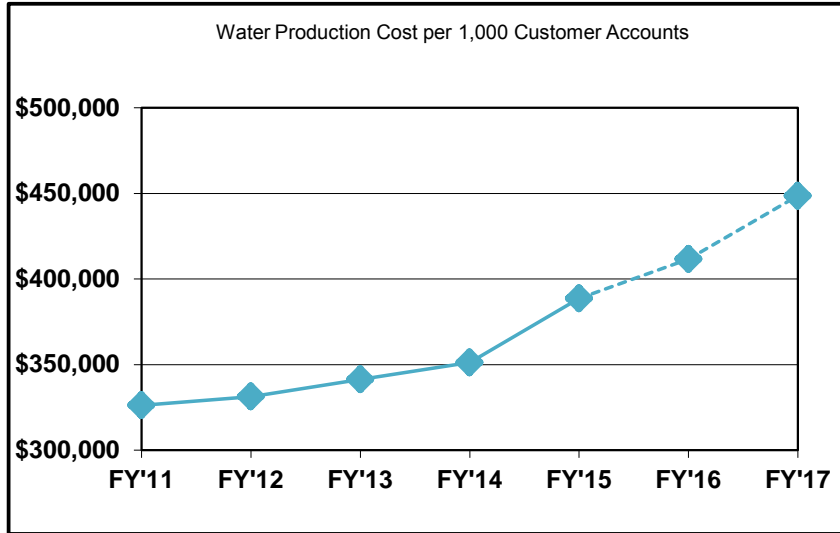
Goal: Provide timely procurement services.

Group(s): Procurement Office
Strategic Priority: Integrate Supply Chain Management and Supplier Diversity

Objective	Outcome Measure	FY 2014		FY 2015		FY 2016	FY 2017
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
Establish and maintain a standard for the timely processing of purchase requests in the following categories:	Average number of days to process purchase requests in the identified categories from receipt of the request, with all required supporting documentation and approvals, through the time the Notice to Proceed is signed or the Purchase Order is approved:	(Number of Days)	(Number of Days)	(Number of Days)	(Number of Days)	(Number of Days)	(Number of Days)
Miscellaneous (Small Purchases, Emergencies, etc.)	15 days	45	91	45	36	30	45
Sole Source	60 days	100	93	60	62	45	60
Requests for Qualifications (RFQ) and Requests for Information (RFI)	60 days	180	108	60	55	45	60
Invitations for Bids (IFB)	120 days	105	191	140	197	120	120
Requests for Proposals (RFP)	180 days	120	239	180	189	150	150

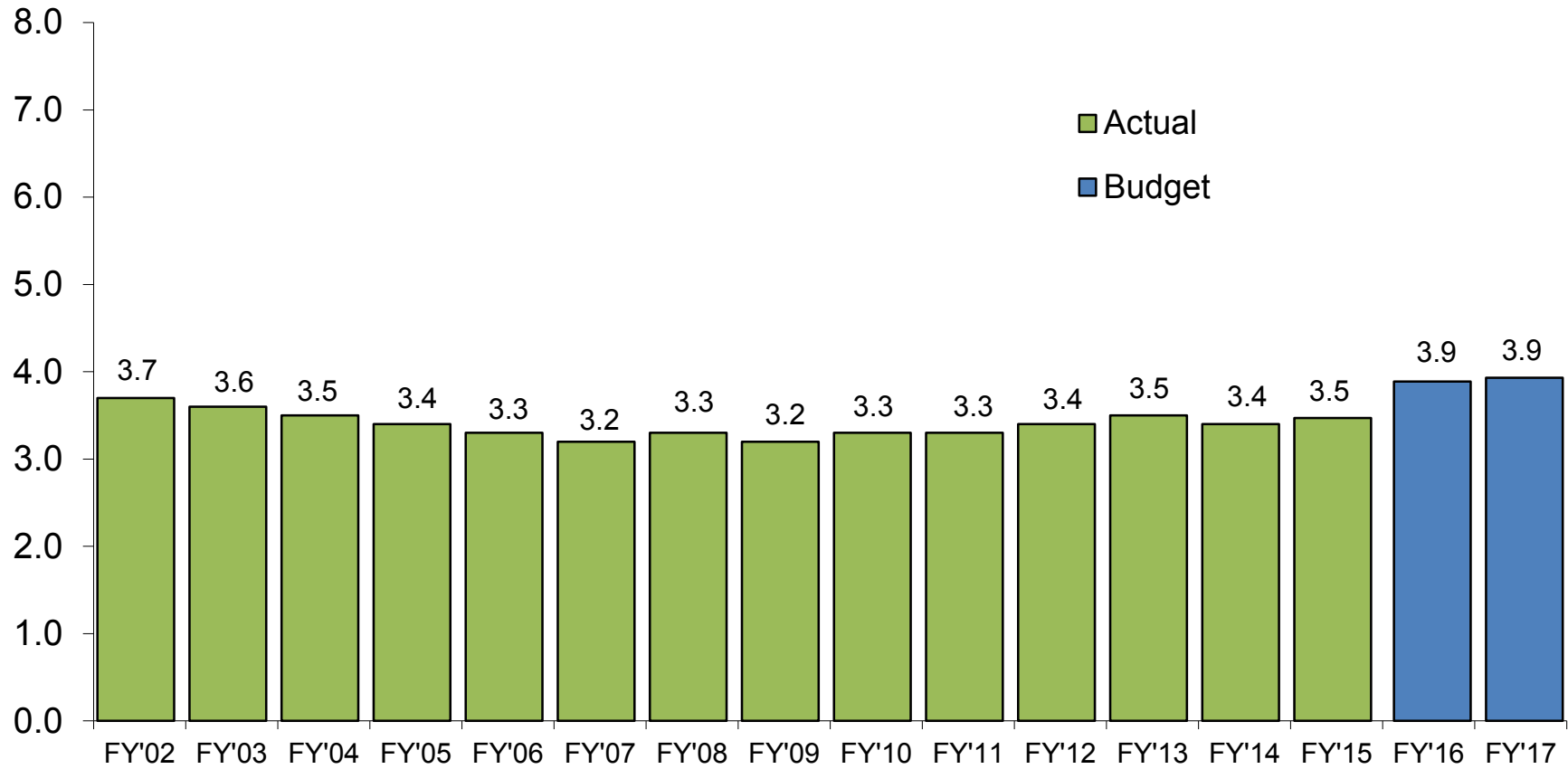
WSSC

OPERATING EFFICIENCY MEASURES

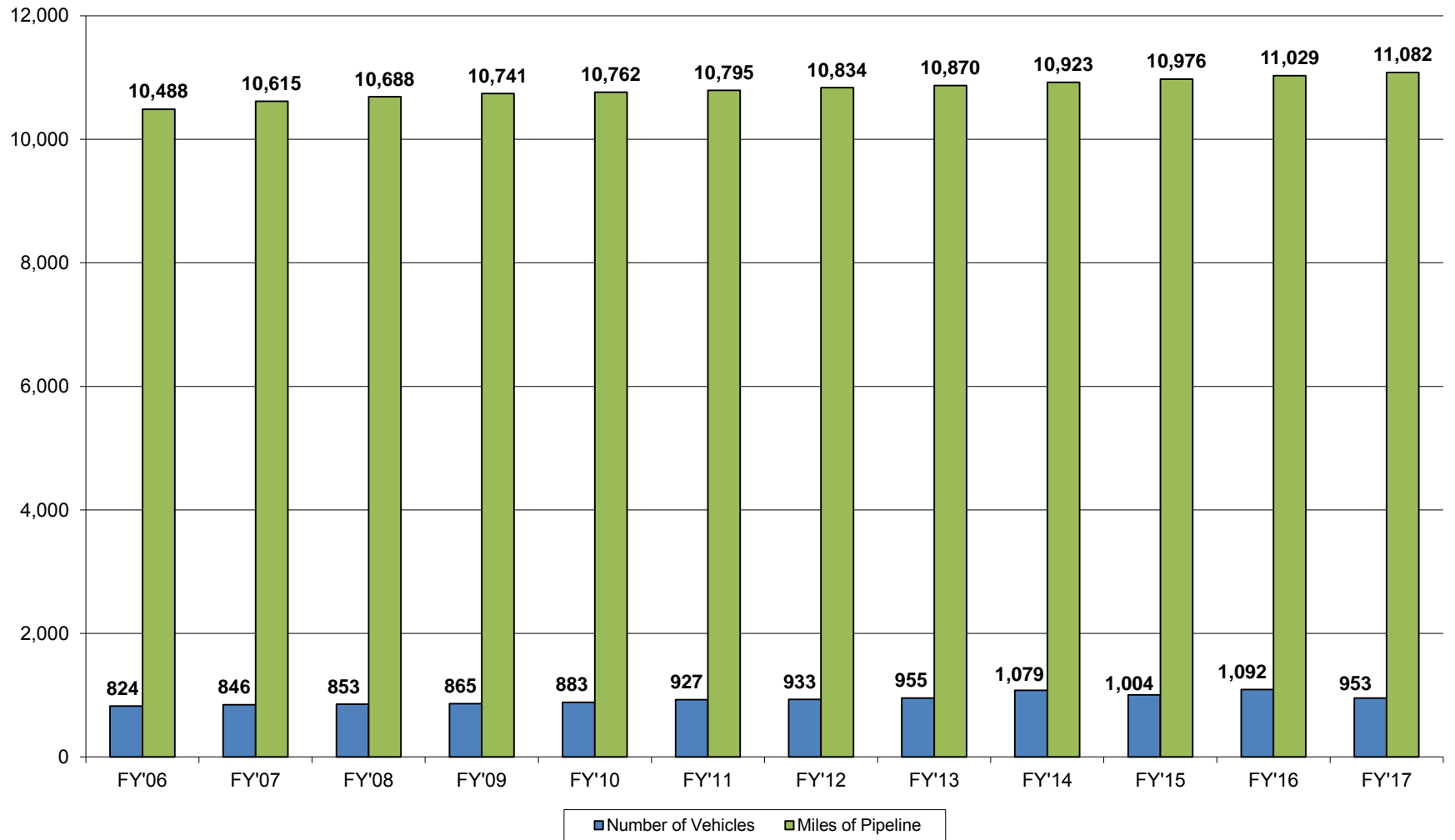


Note: FY'16 & FY'17 are budgeted, not actual.

WORKYEARS PER 1,000 CUSTOMER ACCOUNTS



VEHICLE FLEET SIZE VS. MILES OF PIPELINE MAINTAINED



Note: FY'16 and FY'17 are budgeted, not actual.

WSSC
COMPARATIVE STATISTICAL DATA

The following actual and budgeted data show the number of customer accounts increasing 2.1% and the population increasing 1.9% from FY'13 to FY'17, with the number of employee workyears increasing 15.7%. A portion of the increase in workyears is due to the transfer of work from contractors to employees in situations where employee costs would be equal to or less than those of a contractor. The overall size of the system, measured in miles of water and sewer pipe, will have expanded 2.0% from FY'13 through FY'17.

During the years 1997 through 2001, the WSSC significantly cut resources through a Competitive Action Plan. In 1997, actual workyears were 2,015, the number of accounts was 382,404, and the total number of miles maintained was 9,784. From this perspective, the number of accounts and size of the system will have increased 17.9% and 13.3%, respectively, from FY'97 to FY'17, while workyears will have decreased 11.9% for the same period. The additional workyears in FY'17 will fill gaps in staffing, and provide the WSSC with the means to improve customer service, meet increased regulatory requirements, and expand programs to address aging infrastructure issues.

	<u>FY'13</u>	<u>FY'14</u>	<u>FY'15</u>	<u>FY'16</u>	<u>FY'17</u>	<u>FY'13-FY'17</u>	<u>FY'97-FY'17</u>
	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>APPROVED</u>	<u>APPROVED</u>	<u>PERCENT</u>	<u>PERCENT</u>
						<u>CHANGE</u>	<u>CHANGE</u>
Workyears	1,535	1,539	1,546	1,747	1,776	15.7%	-11.9%
Population	1,749,000	1,757,000	1,765,000	1,774,000	1,783,000	1.9%	21.6%
Customer Accounts	441,480	443,827	445,385	449,427	450,785	2.1%	17.9%
<u>Size of System</u>							
<u>Miles to be Maintained</u>							
Water	5,494	5,521	5,552	5,575	5,606	2.0%	13.0%
Sewer	<u>5,376</u>	<u>5,402</u>	<u>5,424</u>	<u>5,454</u>	<u>5,476</u>	<u>1.9%</u>	<u>13.6%</u>
TOTAL	10,870	10,923	10,976	11,029	11,082	2.0%	13.3%
Water Production (average MGD)	161.2	160.6	162.9	166.0	164.0	1.7%	2.8%
Sewage Flows (average MGD)	177.2	195.6	190.8	215.8	217.5	22.7%	13.3%

ORGANIZATIONAL HIGHLIGHTS

SECTION 3

ORGANIZATIONAL HIGHLIGHTS

	<u>FY'17 Approved</u>	
	<u>Amount</u>	<u>Workyears</u>
<u>Commissioners Office/Corporate Secretary's Office, General Manager & Staff Offices</u>	\$25,633,200	142.0

This group of organizations is comprised of the following offices: Commissioners/Corporate Secretary; General Manager; Internal Audit; Intergovernmental Relations; Strategic Systems Management; General Counsel; Communications and Community Relations; Human Resources; Small, Local and Minority Business Enterprise; Fair Practice; and Procurement.

- The responsibilities of the *Commissioners Office/Corporate Secretary's Office* are twofold: the Commissioners function as the Board of Directors and set general policy for the operation of the Commission, while providing leadership and guidance; and the Corporate Secretary is responsible for managing the corporate functions of the Commission.
- The *General Manager's Office* provides strategic direction and daily managerial oversight to ensure that the WSSC meets its mission of providing safe and reliable water to WSSC customers, and returning clean water to the environment, all in an ethically and financially responsible manner. In addition, the General Manager serves as the Commission's primary representative in relations with the County and State governments and other outside parties. This office also identifies investment needs of facilities, water transmission and distribution lines, and wastewater collection assets through the Asset Management Program (AMP).
- *Internal Audit* is responsible for evaluating the adequacy and effectiveness of the WSSC's system of internal controls. The Ethics Officer administers the Code of Ethics and provides support to the Ethics Board.
- The *Intergovernmental Relations Office* analyzes the impact of state and federal legislation on the Commission, and communicates with the legislative bodies.
- The *Strategic Systems Management Office* serves as the day-to-day manager of enterprise-wide change involving multiple change processes and projects, and provides integration and logistical support for the WSSC's change management efforts.
- The *General Counsel's Office* provides legal services to support the operational goals and objectives of the Commission, and is responsible for the disposition of surplus Commission real estate properties.
- The *Communications and Community Relations Office* is responsible for proactively communicating internally and externally and building relationships and strategic alliances throughout communities and industries. The Office is also responsible for providing the news media with timely and accurate information and managing crisis communications; overseeing the content on the WSSC website; and providing graphic and photographic services.

ORGANIZATIONAL HIGHLIGHTS

(Continued)

- The ***Human Resources Office*** is responsible for planning, administering, and evaluating the Commission's personnel and related programs. The Office develops and maintains the employee benefit structures and the classification and compensation programs, conducts training courses, and manages the employee recruitment functions. The Office also provides counseling services on a variety of employee issues, and adheres to all applicable federal and state laws.
- The ***Small, Local and Minority Business Enterprise Office*** is responsible for planning, managing, coordinating, and monitoring the Commission's Minority Business Enterprise (MBE) and Small, Local Business Enterprise (SLBE) Programs, in accordance with state law. The Office develops policies designed to provide an inclusive purchasing environment while building sustainable relationships, expanding opportunities, and cultivating growth of Small, Local, and Minority Business Enterprises.
- The ***Fair Practice Office*** is responsible for planning, directing, and coordinating the activities of the Fair Practice Officer as they relate to Equal Employment Opportunity practices.
- The ***Procurement Office*** is responsible for the procurement of materials, supplies, and services, including professional services, necessary to support Commission operations and functions, and oversees the bid and award process for all construction contracts.

ORGANIZATIONAL HIGHLIGHTS

(Continued)

	<u>FY'17 Approved</u>	
	<u>Amount</u>	<u>Workyears</u>
<u>Engineering & Construction Team</u>	\$629,481,800	378.0

The Engineering and Construction Team is led by the Chief Engineer and is comprised of the Development Services, Planning, Project Delivery, Infrastructure-Systems, Process Control, Regulatory Services, Systems Inspection, and Technical Services Groups.

- The ***Development Services Group*** is responsible for the integrity of the WSSC's water and sewer system through oversight of the planning, design, and construction of water and sewer extensions. The Group is also responsible for the review and issuance of all plumbing, gasfitting, and house connection applications and collection of related fees and charges; and review and processing of all on-site plans, service connection submittals, and applicant-built construction packages.
- The ***Planning Group*** is responsible for overseeing future system capacity demands. The Group participates in regional water and wastewater management and planning; oversees Blue Plains capital billing to WSSC; supports negotiations of Blue Plains agreements; and represents the WSSC on Blue Plains Committees.
- The ***Project Delivery Group*** is responsible for administering and managing the planning, design, construction, and inspection of major facility projects. The Group also oversees special projects, planning studies, and miscellaneous contracts.
- The ***Infrastructure-Systems Group*** is responsible for managing pipeline design in the water and sewer main reconstruction programs; and reviewing water and sewer relocations to assure compliance with WSSC guidelines.
- The ***Process Control Group*** is responsible for designing process control systems for new facilities; improving automation for existing facilities; and maintaining and repairing all instrumentation systems.
- The ***Regulatory Services Group*** is responsible for the federally mandated pretreatment program, the Fats, Oils, and Grease (FOG) Program, and enforcement of the Plumbing and Gasfitting Regulations. The Group regulates discharges into the sewer system, samples discharges from industrial users, inspects food service facilities, conducts investigations, responds to spills of hazardous materials entering the sewer system, and monitors/inspects cross-connections to protect the potable water supply from backflow contamination.
- The ***Systems Inspection Group*** is responsible for the management and inspection of water supply and wastewater pipeline construction contracts, as well as the associated contracts for house connections, paving, and landscaping.

ORGANIZATIONAL HIGHLIGHTS

(Continued)

- The *Technical Services Group* provides a full range of in-house civil, mechanical and electrical engineering support. This includes technical services for capital planning, design, and construction; maintenance of engineering records and Geographic Information Systems; environmental engineering and science support; infrastructure management; and land services (rights-of-ways, land acquisition & recordation, and land surveys).

ORGANIZATIONAL HIGHLIGHTS

(Continued)

	<u>FY'17 Approved</u>	
<u>Production Team</u>	<u>Amount</u>	<u>Workyears</u>
	\$167,500,100	303.0

The Production Team is led by the Chief of Plant Operations and is comprised of the Potomac, Patuxent, Piscataway, Parkway, Western Branch, Seneca/Damascus/Hyattstown plants, and Laboratory Services, Systems Control, Industrial Assets Management Groups and the Utility Cost Control Office.

- The *Potomac, Patuxent, Piscataway, Parkway, Western Branch, and Seneca/Damascus/Hyattstown Groups* are responsible for the operation and maintenance of their respective facilities, providing high-quality, cost-effective maintenance and continual operation of the Commission's water supply dams, water filtration plants, water distribution facilities, wastewater collection facilities, and wastewater treatment plants.
- The *Laboratory Services Group* is responsible for providing laboratory analysis, regulatory compliance, and consulting support to the plants, other WSSC groups, and local jurisdictions.
- The *Systems Control Group* is responsible for the 24-hour Control Center which operates the water distribution system and monitors the wastewater pumping stations. This group also operates and maintains the dams, water pumping stations, finished water storage facilities, and the water distribution system control valves.
- The *Industrial Assets Management Group* is responsible for providing specialized in-house electrical, mechanical, fabrication, welding, repair, and machine shop support for all WSSC facilities.
- The Team's *Utility Cost Control Office* is responsible for payment and monitoring of all utility bills for electricity, gas, and oil.

ORGANIZATIONAL HIGHLIGHTS

(Continued)

	<u>FY'17 Approved</u>	
	<u>Amount</u>	<u>Workyears</u>
<u>Logistics Office</u>	\$30,958,200	171.0

This Office, led by the Logistics Director, is comprised of 5 Groups: Property Management, Occupational Safety and Health, Fleet Services, Materials Management, and Police and Security Services. The Team Office is also responsible for providing reprographics, mail services and distribution, office supplies, food and vending services, and asset management of furniture and copy machines.

- The ***Property Management Group*** is responsible for providing necessary support services to operate and maintain all the WSSC's office buildings, warehouses, recreation facilities, and depots; and for maintaining the landscape of all improved land owned by the Commission.
- The ***Occupational Safety and Health Group*** is responsible for providing a safe and healthy work environment for Commission employees. The Group provides administration of the safety and health programs to ensure compliance with all Federal, State and Local regulations.
- The ***Fleet Services Group*** is responsible for providing maintenance and repair services to vehicle and equipment fleets at 6 garage facilities. The Group provides preventive maintenance, repair, road service, fuel supply and management, tag and title processing, vehicle and equipment replacement planning and acquisition, emissions inspection, and fleet utilization management.
- The ***Materials Management Group*** is responsible for acquiring and distributing materials and supplies throughout the Commission; and ensuring the materials are manufactured to the Commissions standards.
- The ***Police and Security Group*** is responsible for safeguarding Commission real property; providing for the safety of WSSC personnel, customers, and visitors to our facilities; investigating theft of service cases; investigating illegal discharges into the wastewater collection system; and investigating complaints of criminal activity which occur on Commission property.

ORGANIZATIONAL HIGHLIGHTS

(Continued)

	<u>FY'17 Approved</u>	
	<u>Amount</u>	<u>Workyears</u>
<u>Finance Office</u>	\$6,977,400	62.0

This Office is led by the Chief Financial Officer and is comprised of the Retirement, Revenue, Accounting, Disbursements, and Budget Groups. The Team Office administers grant monies received from the Environmental Protection Agency (EPA) and the Maryland Department of the Environment (MDE). The Maryland Water Quality State Revolving Loan Administration activities are also managed by the Team Office.

- The ***Retirement Group*** is responsible for administering the WSSC Employees' Retirement Plan for employees and retirees in accordance with the Plan and Internal Revenue Service regulations. The Group also supports the Plan's Board of Trustees in managing and investing Plan assets, and is responsible for investing the WSSC's available funds in accordance with State laws.
- The ***Revenue Group*** is responsible for receiving, processing, depositing, and recording all funds received by the Commission in an accurate and timely manner. The Group also recovers the WSSC's construction and related financing costs for non-program size water and sewer lines by assessing Front Foot Benefit (FFB) Charges as outlined by the Annotated Code of Maryland.
- The ***Accounting Group*** is responsible for maintaining the financial books and records of the Commission and preparing financial statements that fairly present the fiscal position of the Commission and the results of its operations.
- The ***Disbursements Group*** is responsible for maintaining and processing all of the Commission's disbursements, including payroll. Additionally, the Group maintains and reconciles the Commission's debt service records and health care records.
- The ***Budget Group*** is responsible for formulating, preparing, justifying, and administering the Commission's Operating and Capital Budgets, and the six-year Capital Improvements Program (CIP), in accordance with Maryland State law. The Group forecasts the impacts of budget and CIP decisions, provides staff support to the Spending Affordability Group, and prepares the monthly status report on the Commission's budget performance.

ORGANIZATIONAL HIGHLIGHTS

(Continued)

FY'17 Approved

<u>Amount</u>	<u>Workyears</u>
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\$116,630,200	504.0
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Utility Services Team

This Team, led by the Utility Services Team Chief, is comprised of the Utility Services North, West, Central, South, Utility Enhancement Support, Utility Strategic Development, and Utility Management Groups. The Team is directly responsible for maintaining water and sewer mains throughout the Washington Suburban Sanitary District.

- The ***Utility Services North, West, Central, and South Groups*** are responsible for maintaining the distribution and collection system including all of the Commission's water and sewer mains and water meters, thus ensuring the consistent flow of water and outflow of wastewater within their geographical regions and preserving the infrastructure in order to provide quality service for our customers.
- The ***Utility Enhancement Support Group*** is responsible for administering the in-house water main replacement program; the water meter evaluation, testing, and repair program for large and small meters; and for reading the WSSC's water meters, ensuring accurate customer billing. Auxiliary emergency maintenance support is provided to the other Utility Services Depots during peak periods or critical events. Additional support services provided include fire hydrant flow testing, the fire hydrant meter leasing program, and warehousing and issuing of large water meters.
- The ***Utility Strategic Development Group*** is responsible for training Utility Services Team employees and ensuring that the Team's current work practices are operationally effective. This Group searches for best practices and/or technology that will provide greater efficiencies and increase productivity in the various work groups of the Utility Services Team.
- The ***Utility Management Group*** is responsible for water distribution and transmission condition assessment activities in line with WSSC's effort to execute the Asset Management Program; proper maintenance of the wastewater collection system, including inspection; line blockage analysis; routine, preventive, and emergency collection system cleaning; Sewer System Evaluation Surveys (SSES) for flow reduction; trunk sewer/creek crossing inspections; and administration and reporting of Sanitary Sewer Overflow (SSO) Consent Decree requirements; and the management of Prestressed Concrete Cylinder Pipe (PCCP) inspections and oversight of Acoustic Fiber Optic (AFO) monitoring of major pipelines.

ORGANIZATIONAL HIGHLIGHTS

(Continued)

	<u>FY'17 Approved</u>	
	<u>Amount</u>	<u>Workyears</u>
<u>Customer Relations Team</u>	\$13,961,200	107.0

This Team, led by the Customer Relations Team Chief, is responsible for ensuring that customers receive optimum service by generating accurate bills and communicating effectively with customers.

- The *Customer Relations Group* is responsible for billing and other routine and/or emergency matters, such as: occupancy changes, high bills, payments and payment extensions, suspension of services due to nonpayment of bills, requests for new meters, and walk-in customer service. In addition, this Group handles reviewing billing exceptions, correcting and adjusting billing, and investigating and resolving claims. They serve as the initial point of customer contact and are tasked with receiving and dispatching calls to the four Utility Services zones.

ORGANIZATIONAL HIGHLIGHTS

(Continued)

	<u>FY'17 Approved</u>	
<u>Information Technology Team</u>	<u>Amount</u>	<u>Workyears</u>
	\$45,159,300	109.0

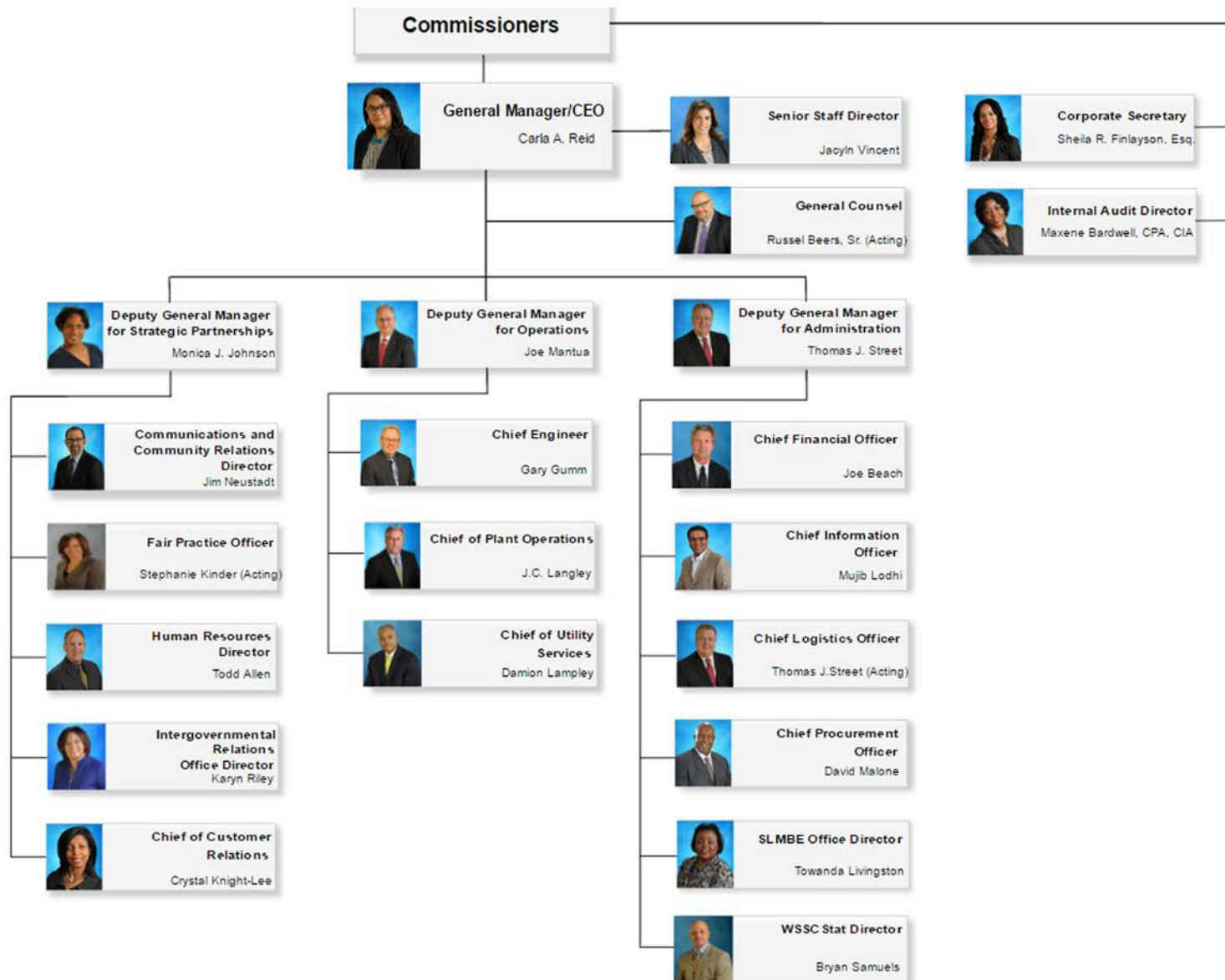
This Team, led by the Chief Information Officer, is comprised of the Information Technology Operations, Network Infrastructure & Data Center Operations, and Information Technology Implementations Divisions. The Team Office provides information technology support services and resources (hardware, software, and communications) necessary for the Commission to service its customers, reduce overall operating costs, enhance customer service and improve operational efficiencies. The IT Team Office develops, maintains and supports the IT Strategic Plan while assessing technology solutions and implementation priorities to meet the Commission's long-term business needs. The office is also responsible for IT security and risk management functions and provides governance over IT policies, procedures, and project management best practices.

- The ***Information Technology Operations Division*** is responsible for supporting the core IT business operations as they relate to application development and end user support, including breakfix and enhancements. This division manages the Commission's computing assets, IT inventory/asset management, and IT service request and delivery, ensuring that end user problems and requests are addressed expeditiously and effectively in order to maintain business continuity and functionality.
- The ***Network Infrastructure & Data Center Operations Division*** is responsible for supporting the Commission's computing infrastructure – hardware and software systems, telecom, data networking, call center, and telephony. This includes the design, implementation and support of the mainframe, open system platforms, and storage sub-systems; communication systems including microwave, data networks, and two-way radio; daily operational support for SCADA, cellular leasing, audio/visual services, tape management, and wireless devices; contact center solutions include IVRS and multimedia applications, as well as security support services for firewalls and intrusion detection.
- The ***Information Technology Implementations Division*** is responsible for using system implementation methodologies to streamline and redesign various technologies and business systems that extend across all Commission functional areas. This office leads and directs functional and technical implementation teams consisting of WSSC staff, consultants, and implementation support organizations in providing day-to-day oversight and management of all IT enterprise system implementation initiatives within the Commission.

ORGANIZATION AND FACILITIES

SECTION 4

WSSC Organization Chart



Comparative Expenditures by Organizational Unit

	<u>FY'16 Approved</u>		<u>FY'17 Approved</u>	
	<u>Workyears</u>	<u>Amount</u>	<u>Workyears</u>	<u>Amount</u>
Commissioners Office/Corporate Secretary's Office	2	\$ 364,400	2	\$ 358,200
Internal Audit	10	1,231,400	10	1,260,200
General Manager's Office	6	1,079,500	15	5,920,000
Intergovernmental Relations Office	4	675,100	4	694,600
STAT Office	7	967,600	4	587,400
General Counsel's Office	16	4,046,600	16	4,110,800
Communications & Community Relations Office	18	2,436,300	19	2,878,500
Human Resources Office	25	4,089,400	27	4,781,400
Small, Local and Minority Business Enterprise Office	9	1,320,500	9	1,368,400
Fair Practice Office	1	118,100	1	121,300
Procurement Office	28	3,070,700	35	3,552,400
Engineering & Construction Team	378	652,182,300	378	629,481,800
Production Team	299	152,702,200	303	167,500,100
Logistics Office	174	30,944,900	171	30,958,200
Finance Office	61	6,227,300	62	6,977,400
Utility Services Team	503	112,362,300	504	116,630,200
Customer Relations Team	96	10,861,000	107	13,961,200
Information Technology Team	110	38,148,900	109	45,159,300
Non-Departmental (Finance)	-	44,401,000	-	47,489,500
Non-Departmental (Human Resources)	-	35,556,800	-	35,531,500
Debt Service	-	255,310,000	-	261,437,000
PAYGO	-	19,677,000	-	23,095,000
Depreciation Expense	-	15,731,700	-	16,301,600
Operating Reserve Contribution	-	6,300,000	-	6,524,000
SUMMARY-TOTAL	<u>1,747</u>	<u>\$ 1,399,805,000</u>	<u>1,776</u>	<u>\$ 1,426,680,000</u>

Comparative Personnel Complement by Organizational Unit

	<u>FY'15 Actual</u>		<u>FY'16 Approved</u>		<u>FY'17 Approved</u>	
	<u>Authorized Positions</u>	<u>Workyears</u>	<u>Authorized Positions</u>	<u>Workyears</u>	<u>Authorized Positions</u>	<u>Workyears</u>
Commissioners Office/Corporate Secretary's Office	*8	1.9	*8	2.0	*8	2.0
Internal Audit	10	9.1	10	10.0	10	10.0
General Manager's Office	6	5.0	6	6.0	15	15.0
Intergovernmental Relations Office	4	2.1	4	4.0	4	4.0
Strategic Systems Management Office	7	5.0	7	7.0	4	4.0
General Counsel's Office	16	14.6	16	16.0	16	16.0
Communications & Community Relations Office	17	15.3	18	18.0	19	19.0
Human Resources Office	23	24.3	25	25.0	27	27.0
Small, Local and Minority Business Enterprise Office	9	5.3	9	9.0	9	9.0
Fair Practice Office	1	1.0	1	1.0	1	1.0
Procurement Office	27	15.5	28	28.0	35	35.0
Engineering & Construction Team	371	341.8	378	378.0	378	378.0
Production Team	297	280.1	299	299.0	303	303.0
Logistics Office	176	139.8	174	174.0	171	171.0
Finance Office	60	56.3	61	61.0	62	62.0
Utility Services Team	496	457.6	503	503.0	504	504.0
Customer Relations Team	94	85.7	96	96.0	107	107.0
Information Technology Team	113	86.1	110	110.0	109	109.0
SUMMARY-TOTAL	<u>1,729</u>	<u>1,546.5</u>	<u>1,747</u>	<u>1,747.0</u>	<u>1,776</u>	<u>1,776.0</u>

* Commissioners (6) not included in total positions or workyears.

FACILITIES CURRENTLY IN OPERATION

WASTEWATER TREATMENT PLANTS

Piscataway
Western Branch
Parkway
Damascus
Seneca
Hyattstown

WATER FILTRATION PLANTS

Potomac
Patuxent

ADMINISTRATIVE AND SUPPORT FACILITIES

Richard G. Hocevar Building, Laurel
Anacostia Service Center
Lyttonsville Service Center
Temple Hills Service Center
Gaithersburg Service Center
Laurel Service Center
Anacostia Warehouse
Consolidated Laboratory Facility

Salaries and Wages Summary

	FY'17 Approved	
	<u>Workyears</u>	<u>Amount</u>
Base Positions Funded Full Year	1,776	\$ 142,627,500
Overtime		<u>7,632,700</u>
Subtotal		150,260,200
Lapse on Base Positions *		<u>8,562,400</u>
Subtotal		141,697,800
Salary Enhancements		1,608,700
Salary - 6 Commissioners		<u>78,500</u>
TOTAL	<u>1,776</u>	<u>\$ 143,385,000</u>

*Lapse is the reduction of gross salary costs due to vacancies and normal delays in filling positions.

SELECTED MULTI-YEAR HISTORICAL DATA

SECTION 5

SELECTED STATISTICAL DATA

	<u>FY'11</u> <u>ACTUAL</u>	<u>FY'12</u> <u>ACTUAL</u>	<u>FY'13</u> <u>ACTUAL</u>	<u>FY'14</u> <u>ACTUAL</u>	<u>FY'15</u> <u>ACTUAL</u>	<u>FY'16</u> <u>APPROVED</u>	<u>FY'17</u> <u>APPROVED</u>
Population Served	1,734,000	1,742,000	1,749,000	1,757,000	1,765,000	1,774,000	1,783,000
Customer Accounts	438,193	439,805	441,480	443,827	445,385	449,427	450,785
Water Produced (average MGD)	175.0	165.7	161.2	160.6	162.9	166.0	164.0
Water Produced (millions of gallons)	63,861	60,648	58,830	58,603	59,469	60,590	59,860
Billed Consumption (billions of gallons) †	49.0	47.5	47.6	47.2	47.4	47.1	46.8
Water Mains Maintained (miles)	5,451	5,471	5,494	5,521	5,552	5,575	5,606
Water Mains Constructed (miles added by WSSC)	-	0.3	7.3	0.5	9.0	2.0	2.0
Water Mains Constructed (miles added by developers)	12.5	20.5	15.3	26.3	22.4	25.0	25.0
Water House Connections Maintained	441,593	444,184	446,453	449,333	453,004	454,933	458,604
Water House Connections Installed	1,574	2,591	2,269	2,880	3,671	2,800	2,800
Water Meters Issued	13,696	11,598	18,554	14,675	17,540	16,365	18,065
Sewage Systems Total Flow (average MGD)	182.4	183.7	177.2	195.6	190.8	215.8	217.5
Sewage Systems Total Flow (millions of gallons)	66,581	66,950	64,666	71,232	69,650	78,767	79,388
Sewer Mains Maintained (miles)	5,344	5,363	5,376	5,402	5,424	5,454	5,476
Sewer Mains Constructed (miles added by WSSC)	-	-	0.4	-	-	1.0	1.0
Sewer Mains Constructed (miles added by developers)	19.7	19.4	12.6	25.7	21.4	25.0	25.0
Sewer House Connections Maintained	418,718	421,092	423,110	425,445	427,279	430,645	433,479
Sewer House Connections Installed	1,417	2,374	2,018	2,335	2,834	2,600	2,600
Maintenance Work Orders (Emergency and Routine)	84,473	84,906	99,469	108,482	114,007	90,600	98,300
Vehicles in Fleet	927	933	955	1,079	1,004	1,092	1,047
Miles Traveled by Fleet	5,514,312	5,866,778	5,250,810	5,028,532	5,432,420	5,313,819	5,230,476
Water Meter Readings Completed	1,937,265	2,006,837	1,967,090	1,987,261	2,028,473	2,052,208	2,052,950
Authorized Positions	1,632	1,681	1,693	1,717	1,729	1,747	1,776
Authorized Workyears	1,632	1,681	1,693	1,717	1,729	1,747	1,776
Actual Employment Level - Beginning	1,468	1,528	1,549	1,549	1,550	1,561	
Actual Employment Level - Ending	1,528	1,549	1,549	1,550	1,561		
Actual Workyears	1,486	1,522	1,535	1,530	1,546		

† Billed consumption figures do not include wholesale and industrial customers.

SELECTED FINANCIAL DATA

	<u>FY'11 ACTUAL</u>	<u>FY'12 ACTUAL</u>	<u>FY'13 ACTUAL</u>	<u>FY'14 ACTUAL</u>	<u>FY'15 ACTUAL</u>	<u>FY'16 APPROVED</u>	<u>FY'17 APPROVED</u>
1. Customer Water & Sewer Rate Percent Change							
<u>Consumption Charges</u>							
Water	14.0%	11.6%	2.9%	1.9%	7.7%	1.2%	5.9%
Sewer	4.3%	5.9%	11.5%	11.6%	3.9%	0.9%	0.8%
Combined	8.5%	8.5%	7.5%	7.25%	5.5%	1.0%	3.0%
 2. Water & Sewer Bill Revenues (\$ in Thousands)							
Water Consumption Charges	\$211,734	\$226,286	\$225,212	\$227,923	\$242,867	\$251,636	\$255,054
Sewer Use Charges	<u>248,725</u>	<u>255,842</u>	<u>275,559</u>	<u>309,403</u>	<u>319,488</u>	<u>331,739</u>	<u>324,182</u>
Total Consumption Charges	460,459	482,128	500,771	537,326	562,355	583,375	579,236
 Account Maintenance Fee	22,377	22,386	22,772	22,582	22,753	32,374	32,552
Infrastructure Investment Fee					-	<u>19,418</u>	<u>38,962</u>
 Total	<u>\$ 482,836</u>	<u>\$ 504,514</u>	<u>\$ 523,543</u>	<u>\$ 559,908</u>	<u>\$ 585,108</u>	<u>\$ 635,167</u>	<u>\$ 650,750</u>
 3. Water Production (average MGD)	175.0	165.7	161.2	160.6	162.9	166.0	164.0
 4. Billed Consumption (billions of gallons)	49.0	47.5	47.6	47.2	47.4	47.1	46.8

WATER & SEWER OPERATING FUNDS - COMBINED

(\$ In Thousands)

	<u>FY'11</u> <u>ACTUAL</u>	<u>FY'12</u> <u>ACTUAL</u>	<u>FY'13</u> <u>ACTUAL</u>	<u>FY'14</u> <u>ACTUAL</u>	<u>FY'15</u> <u>ACTUAL</u>	<u>FY'16</u> <u>APPROVED</u>	<u>FY'17</u> <u>APPROVED</u>
<u>REVENUES</u>							
Water Consumption Charges	\$ 211,734	\$ 226,286	\$ 225,212	\$ 227,923	\$ 242,867	\$ 251,636	\$ 255,054
Sewer Use Charges	248,725	255,842	275,559	309,403	319,488	331,739	324,182
Interest Income	794	647	722	630	532	1,000	700
Miscellaneous	22,831	24,788	26,926	25,104	29,484	26,693	29,512
Account Maintenance Fee	22,377	22,386	22,772	22,582	22,753	32,374	32,552
Infrastructure Investment Fee	-	-	-	-	-	19,418	38,962
Total Revenues	<u>506,461</u>	<u>529,949</u>	<u>551,191</u>	<u>585,642</u>	<u>615,124</u>	<u>662,860</u>	<u>680,962</u>
SDC Debt Service Offset	2,398	2,293	2,192	1,428	1,167	728	206
Reconstruction Debt Service Offset	11,500	11,000	11,000	10,500	10,000	8,500	9,800
Use of Fund Balance	2,909	3,400	18,528	27,481	30,193	21,577	26,050
Total Funds Available	<u>\$ 523,268</u>	<u>\$ 546,642</u>	<u>\$ 582,911</u>	<u>\$ 625,051</u>	<u>\$ 656,484</u>	<u>\$ 693,665</u>	<u>\$ 717,018</u>
<u>EXPENDITURES</u>							
Salaries & Wages	\$ 89,423	\$ 88,666	\$ 92,996	\$ 95,482	\$ 100,118	\$ 111,309	\$ 114,088
Heat, Light & Power	28,599	24,658	22,979	24,443	24,229	23,353	23,581
Regional Sewage Disposal	46,208	49,483	49,226	44,631	54,485	54,895	54,501
Debt Service							
Principal Payments	110,127	128,402	128,626	150,069	153,968	167,550	173,206
Interest Payments	42,355	47,269	55,604	60,772	68,013	68,024	70,602
Debt Reduction (PAYGO)	-	-	-	13,782	19,996	19,677	23,095
All Other	167,975	180,082	188,854	185,487	203,934	242,557	251,421
Working Capital Reserve Transfer	-	-	10,200	11,700	2,300	6,300	6,524
Total Expenditures	<u>\$ 484,687</u>	<u>\$ 518,560</u>	<u>\$ 548,485</u>	<u>\$ 586,366</u>	<u>\$ 627,043</u>	<u>\$ 693,665</u>	<u>\$ 717,018</u>
Water Production (average MGD)	175.0	165.7	161.2	160.6	162.9	166.0	164.0
Billed Consumption (billions of gallons)	49.0	47.5	47.6	47.2	47.4	47.1	46.8

CAPITAL BUDGET VS. ACTUAL EXPENSES
FY'96 - FY'15
(\$ in Thousands)

Fiscal Year	Water Supply		Sewage Disposal		General Construction		Total Capital	
	Approved Budget	Actual Expenses	Approved Budget	Actual Expenses	Approved Budget	Actual Expenses	Approved Budget	Actual Expenses
1996	43,638	40,364	53,337	47,385	86,705	51,421	183,680	139,170
1997	56,827	42,509	89,311	68,513	86,921	54,844	233,059	165,866
1998	79,065	66,349	60,936	38,510	89,961	46,143	229,962	151,002
1999	79,079	67,245	59,689	30,821	65,217	50,820	203,985	148,886
2000	60,111	43,037	88,458	48,868	62,871	49,039	211,440	140,944
2001	61,968	38,350	81,801	68,568	52,426	40,086	196,195	147,004
2002	54,972	44,094	104,820	61,073	34,272	31,765	194,065	136,932
2003	56,124	37,478	108,276	97,446	35,892	18,226	200,292	153,150
2004	78,314	55,626	95,777	104,400	36,364	20,250	210,455	180,276
2005	96,998	59,997	97,271	63,210	31,361	23,692	225,630	146,899
2006	112,678	78,267	117,776	55,558	34,365	15,621	264,819	149,446
2007	122,550	76,151	108,731	60,033	23,730	23,750	255,011	159,934
2008	142,820	88,908	108,358	71,705	30,403	22,668	281,581	183,281
2009	185,620	106,490	142,718	82,687	32,637	24,271	360,975	213,448
2010	147,484	111,158	191,008	95,232	32,660	34,092	371,152	240,482
2011	181,815	104,278	276,524	94,308	36,361	41,664	494,700	240,250
2012	198,844	158,078	332,424	262,507	34,654	14,912	565,922	435,497
2013	240,107	182,393	527,914	356,179	19,984	8,617	788,005	547,189
2014	246,702	170,166	475,352	346,043	20,133	9,433	742,187	525,642
2015	265,079	198,830	341,997	353,417	18,305	11,910	625,381	564,157

OPERATING BUDGET

SECTION 6

OPERATING FUNDS

PURPOSES OF FUNDS - SOURCES OF REVENUE

The WSSC Operating Budget consists of the Water Operating, Sewer Operating, and General Bond Debt Service Funds. Each fund is a separate entity authorized to expend funds for prescribed purposes and derive revenues from specific rates, charges, and/or taxes. The purposes of each fund and the revenue sources are prescribed by law in the Washington Suburban Sanitary District Code.

Water Operating Fund

The purpose of the **Water Operating Fund** is to defray expenses for maintenance and operation of pipes, pumping stations, filtration plants, and reservoirs needed to supply water to the Sanitary District, and to pay the principal and interest on Water Supply Bonds. Existing laws require that the water consumption rates be sufficient to meet these provisions. This fund is also used to defray expenses associated with the plumbing activities of the Commission.

Sources of revenue include:

Water Consumption Charges - revenue derived from the sale of water by applying an increasing rate schedule per 1,000 gallons of use. The rate charged for each account is based upon the average daily consumption during each billing period. The range of currently approved rates is \$3.38 to \$7.81 per 1,000 gallons of water consumed.

Account Maintenance Fee - a charge to all customers, based on meter size, to defray costs of providing and reading a meter and rendering a water and/or sewer bill.

Infrastructure Investment Fee - a fixed fee that funds the debt service associated with the Commission's water and sewer pipe reconstruction programs for the approved Capital Improvements Program.

Plumbing and Inspection Fees - a fee for Commission inspection of all plumbing and gas fixtures installed in residential and commercial structures to ensure that such installations are in compliance with the WSSC Plumbing and Gasfitting Code.

Interest on Investments - revenues derived from investment of cash available to the Water Operating Fund and the Water Supply Bond Fund.

System Development Charge (SDC) - a charge for new development to pay for that part of the Commission's capital program which is needed to accommodate growth. Debt service on bonds issued to fund growth-related CIP projects in prior years (e.g., because of inadequate SDC revenue) is paid from SDC revenues if sufficient revenues exist, or from operating revenues if SDC funds are not available. The balance of these revenues will be used in the capital funds to pay for growth projects.

Miscellaneous - revenue derived from charges for late payment of bills; charges for repair of Commission property (e.g., fire hydrants and water mains) damaged by individuals; charges for relocation of WSSC water systems and/or facilities for the benefit of other parties (e.g., Maryland Department of Transportation and county Departments of Transportation); antenna lease fees collected; and fees charged for the use of recreational facilities in the WSSC's watershed areas.

Water Operating Fund Revenue Sources

(\$ In Thousands)

	<u>FY'14</u>	<u>FY'15</u>	<u>FY'16</u>	<u>FY'17</u>
	<u>Actual</u>	<u>Actual</u>	<u>Approved</u>	<u>Approved</u>
Water Consumption Charges	\$227,923	\$242,867	\$251,636	\$255,054
Account Maintenance Fee	11,517	11,604	16,187	16,276
Infrastructure Investment Fee	-	-	9,709	19,481
Plumbing & Inspection Fees	3,941	5,316	3,960	5,460
Interest	54	24	200	100
SDC Debt Service Offset	290	277	213	203
Miscellaneous	8,346	9,591	9,300	9,900

Sewer Operating Fund

The purpose of the **Sewer Operating Fund** is to maintain and operate the pipes, pumping stations, and treatment plants needed to properly dispose of all sewage originating in the Sanitary District; to pay the District of Columbia Water and Sewer Authority for our share of the Regional Sewage Disposal charges; and to pay principal and interest on Sewage Disposal Bonds.

Sources of revenue include:

Sewer Use Charges - revenue derived from applying an increasing rate schedule per 1,000 gallons of water sold. The rate charged for each account is based upon the average daily water consumption by customer unit during each billing period. The range of currently approved rates is \$4.30 to \$10.90 per 1,000 gallons of metered water. Customers who receive sewage disposal services only are currently charged at a flat rate of \$105.00 per quarter.

Plumbing and Inspection Fees - a fee for Commission inspection of all plumbing and gas fixtures installed in residential and commercial structures to ensure that such installations are in compliance with the WSSC Plumbing and Gasfitting Code.

Account Maintenance Fee - a charge to all customers, based on meter size, to defray costs of providing and reading a meter and rendering a water and/or sewer bill.

Infrastructure Investment Fee - a fixed fee that funds the debt service associated with the Commission's water and sewer pipe reconstruction programs for the approved Capital Improvements Program.

Interest on Investments - revenue derived from investment of cash available to the Sewer Operating Fund and Sewage Disposal Bond Fund.

Rockville Sewer Use - revenue derived from payment by the City of Rockville for the city's share of the Regional Sewage Disposal charges.

System Development Charge (SDC) - a charge for new development to pay for that part of the Commission's capital program which is needed to accommodate growth. Debt service on bonds issued to fund growth-related CIP projects in prior years (e.g., because of inadequate SDC revenue) is paid from SDC revenues if sufficient revenues exist, or from operating revenues if SDC funds are not available. The balance of these revenues will be used in the capital funds to pay for growth projects.

Miscellaneous - revenue derived from charges for late payment of bills; charges for repair of Commission property (e.g., sewer mains) damaged by individuals; charges for relocation of WSSC sewer lines and/or facilities for the benefit of other parties (e.g., Maryland Department of Transportation and county Departments of Transportation); and sewage handlers' fees which are charged for discharging septic tank clean-out wastes into the WSSC's sewerage system.

Sewer Operating Fund Revenue Sources

(\$ In Thousands)

	<u>FY'14</u>	<u>FY'15</u>	<u>FY'16</u>	<u>FY'17</u>
	<u>Actual</u>	<u>Actual</u>	<u>Approved</u>	<u>Approved</u>
Sewer Use Charges	\$309,403	\$319,488	\$331,739	\$324,182
Account Maintenance Fee	11,065	11,149	16,187	16,276
Infrastructure Investment Fee	-	-	9,709	19,481
Plumbing & Inspection Fees	3,941	3,813	3,960	3,920
Interest	576	508	800	600
Rockville Sewer Use	2,633	3,186	2,773	2,632
SDC Debt Service Offset	1,138	890	515	3
Miscellaneous	6,243	7,578	6,700	7,600

General Bond Debt Service Fund

The purpose of the **General Bond Debt Service Fund** is to pay the principal and interest on General Construction Bonds.

Sources of revenue include:

Front Foot Benefit Charges - revenues derived from charges assessed owners of property abutting water and/or sewer mains who derive a benefit from the construction of these water mains and sewers. This revenue pays the principal and interest on General Construction Bonds.

Current Approved Front Foot Benefit Assessment Rates

(\$ Per Foot)

<u>Subdivision</u>	<u>Water</u>	<u>Sewer</u>
First 150 Feet	\$4.80	\$7.18
Next 150 Feet	3.60	5.39
Over 300 Feet	2.40	3.59
 <u>Business</u>		
All Footage	6.39	9.55

Note: The rates established each year apply mainly to the assessable properties that benefit from that year's construction. They cannot be increased, and remain in effect during the life of the bonds issued to pay for the construction.

Deferred House Connections - revenues derived from deferred or amortized house connection payments to cover the cost of building lines from lateral lines to the property line. These connection charges may be paid over a multi-year period, and revenues shown are those being collected from this method of payment until fully amortized.

Interest on Investments - revenue derived from investments of cash available to the fund, General Bond Debt Service, and General Construction Bond Funds.

Miscellaneous - revenue primarily derived from late payments of Front Foot Benefit Charges.

General Bond Debt Service Fund Revenue Sources

(\$ In Thousands)

	<u>FY'14</u> <u>Actual</u>	<u>FY'15</u> <u>Actual</u>	<u>FY'16</u> <u>Approved</u>	<u>FY'17</u> <u>Approved</u>
Front Foot Benefit Charges and Deferred House Connection Charges	\$38,016	\$29,971	\$24,620	\$21,719
Interest	63	62	585	100
Miscellaneous	505	384	450	300

CONSOLIDATED STATEMENT OF OPERATING FUNDS, REVENUES, AND EXPENDITURES

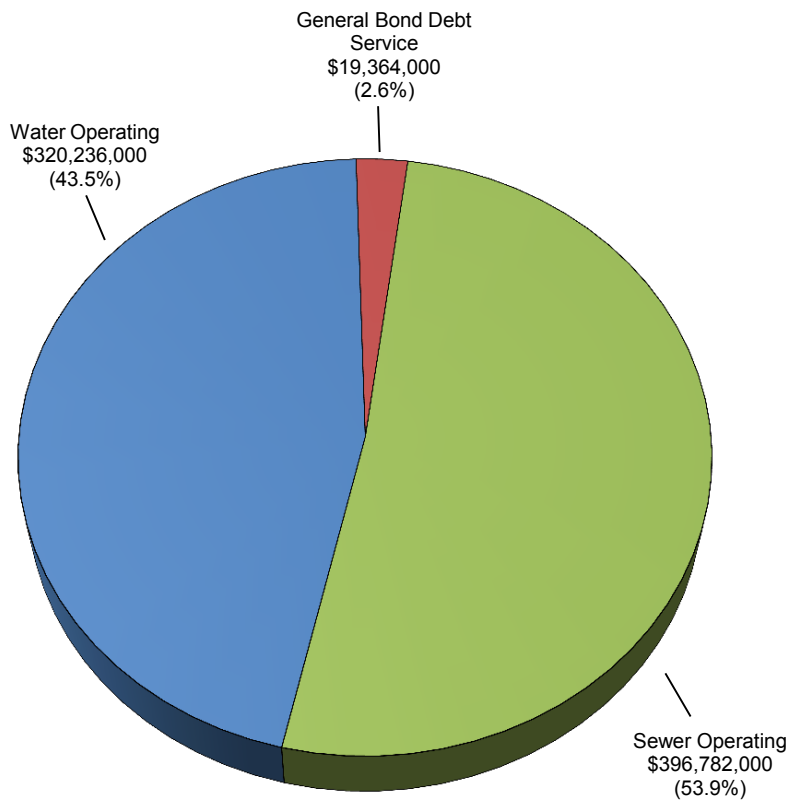
(\$ In Thousands)

	FY'15	FY'16	FY'17
	Actual	Approved	Approved
	Budget	Budget	Budget
<u>REVENUES</u>			
Water Consumption Charges	\$242,867	\$251,636	\$255,054
Sewer Use Charges	319,488	331,739	324,182
Account Maintenance Fee	22,753	32,374	32,552
Infrastructure Investment Fee	-	19,418	38,962
Front Foot Benefit & House Connection Charges (Deferred)	29,971	24,620	21,719
Plumbing & Inspection Fees	9,129	7,920	9,380
Interest Income	594	1,585	800
Rockville Sewer Use	3,186	2,773	2,632
Use of Fund Balance	30,193	21,577	26,050
Miscellaneous	<u>17,553</u>	<u>16,450</u>	<u>17,800</u>
TOTAL REVENUES	<u>675,734</u>	<u>710,092</u>	<u>729,131</u>
<u>EXPENSES</u>			
Salaries & Wages	100,722	111,964	114,718
Heat, Light & Power	24,229	23,353	23,581
Regional Sewage Disposal	54,485	54,895	54,501
All Other	204,552	243,674	252,526
Debt Reduction (PAYGO)	19,996	19,677	23,095
Debt Service			
Principal Payments	172,929	182,549	186,603
Interest Payments	<u>75,093</u>	<u>72,761</u>	<u>74,834</u>
GROSS EXPENSES	<u>652,006</u>	<u>708,873</u>	<u>729,858</u>
Less: Reconstruction Debt Service Offset	(10,000)	(8,500)	(9,800)
SDC Debt Service Offset	(1,167)	(728)	(206)
Working Capital Reserve Transfer	<u>2,300</u>	<u>6,300</u>	<u>6,524</u>
NET EXPENSES	<u>643,139</u>	<u>705,945</u>	<u>726,376</u>
NET REVENUE (LOSS) FOR YEAR	<u>\$ 32,595</u>	<u>\$ 4,147</u>	<u>\$ 2,755</u>

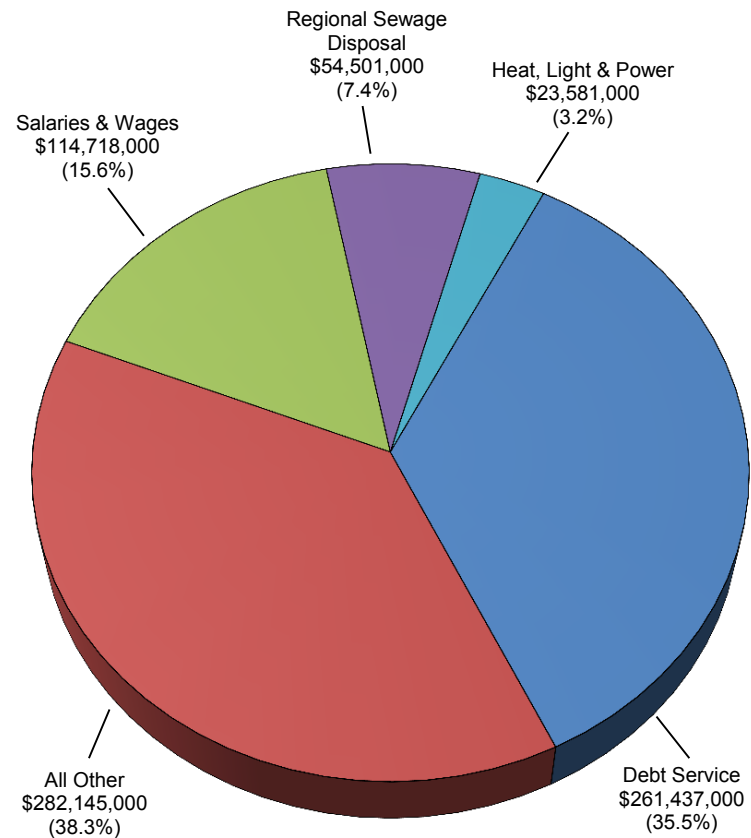
FY 2017 APPROVED BUDGET

OPERATING EXPENDITURES

BY FUND



BY MAJOR EXPENSE CATEGORY



TOTAL OPERATING = \$736,382,000

WATER OPERATING

(\$ In Thousands)

	<u>FY'15 Actual</u>	<u>FY'16 Approved Budget</u>	<u>FY'17 Approved Budget</u>
<u>REVENUES</u>			
Water Consumption Charges	\$ 242,867	\$ 251,636	\$ 255,054
Account Maintenance Fee	11,604	16,187	16,276
Infrastructure Investment Fee	-	9,709	19,481
Plumbing & Inspection Fees	5,316	3,960	5,460
Interest Income	24	200	100
Use of Fund Balance	15,399	10,958	10,962
Miscellaneous	9,591	9,300	9,900
TOTAL REVENUES	<u>284,801</u>	<u>301,950</u>	<u>317,233</u>
<u>EXPENSES</u>			
Salaries & Wages	54,749	58,752	60,897
Heat, Light & Power	14,240	13,042	12,843
All Other	105,261	112,477	127,384
Debt Reduction (PAYGO)	9,982	9,244	10,707
Debt Service			
Principal Payments	75,793	78,097	77,268
Interest Payments	28,077	28,338	28,037
GROSS EXPENSES	<u>288,102</u>	<u>299,950</u>	<u>317,136</u>
Less: Reconstruction Debt Service Offset	(5,000)	(1,000)	(2,800)
SDC Debt Service Offset	(277)	(213)	(203)
Working Capital Reserve Transfer	1,173	3,213	3,100
NET EXPENSES	<u>283,998</u>	<u>301,950</u>	<u>317,233</u>
NET REVENUE (LOSS) FOR YEAR	<u>\$ 803</u>	<u>\$ -</u>	<u>\$ -</u>

SEWER OPERATING

(\$ In Thousands)

	<u>FY'15 Actual</u>	<u>FY'16 Approved Budget</u>	<u>FY'17 Approved Budget</u>
<u>REVENUES</u>			
Sewer Use Charges	\$ 319,488	\$ 331,739	\$ 324,182
Account Maintenance Fee	11,149	16,187	16,276
Infrastructure Investment Fee	-	9,709	19,481
Plumbing & Inspection Fees	3,813	3,960	3,920
Interest Income	508	800	600
Rockville Sewer Use	3,186	2,773	2,632
Use of Fund Balance	14,794	10,619	15,088
Miscellaneous	<u>7,578</u>	<u>6,700</u>	<u>7,600</u>
TOTAL REVENUES	<u>360,516</u>	<u>382,487</u>	<u>389,779</u>
<u>EXPENSES</u>			
Salaries & Wages	45,369	52,557	53,191
Heat, Light & Power	9,989	10,311	10,738
Regional Sewage Disposal	54,485	54,895	54,501
All Other	98,673	130,080	124,037
Debt Reduction (PAYGO)	10,014	10,433	12,388
Debt Service			
Principal Payments	78,175	89,453	95,938
Interest Payments	<u>39,936</u>	<u>39,686</u>	<u>42,565</u>
GROSS EXPENSES	<u>336,641</u>	<u>387,415</u>	<u>393,358</u>
Less: Reconstruction Debt Service Offset	(5,000)	(7,500)	(7,000)
SDC Debt Service Offset	(890)	(515)	(3)
Working Capital Reserve Transfer	<u>1,127</u>	<u>3,087</u>	<u>3,424</u>
NET EXPENSES	<u>331,878</u>	<u>382,487</u>	<u>389,779</u>
NET REVENUE (LOSS) FOR YEAR	<u>\$ 28,638</u>	<u>\$ -</u>	<u>\$ -</u>

GENERAL BOND DEBT SERVICE

(\$ In Thousands)

	<u>FY'15</u> <u>Actual</u>	<u>FY'16</u> <u>Approved</u> <u>Budget</u>	<u>FY'17</u> <u>Approved</u> <u>Budget</u>
<u>REVENUES</u>			
Front Foot Benefit & House Connection			
Charges (Deferred)	\$ 29,971	\$ 24,620	\$ 21,719
Interest Income	62	585	100
Miscellaneous	384	450	300
Use of Fund Balance	10,000	8,500	9,800
Reconstruction Debt Service Offset	(10,000)	(8,500)	(9,800)
TOTAL REVENUES	<u>30,417</u>	<u>25,655</u>	<u>22,119</u>
<u>EXPENSES</u>			
Salaries & Wages	604	655	630
All Other	618	1,117	1,105
Debt Service			
Principal Payments	18,961	14,999	13,397
Interest Payments	<u>7,080</u>	<u>4,737</u>	<u>4,232</u>
TOTAL EXPENSES	<u>27,263</u>	<u>21,508</u>	<u>19,364</u>
NET REVENUE (LOSS) FOR YEAR	<u>\$ 3,154</u>	<u>\$ 4,147</u>	<u>\$ 2,755</u>

CAPITAL BUDGET

SECTION 7

CAPITAL FUNDS

PURPOSES OF FUNDS - SOURCES OF REVENUE

The Washington Suburban Sanitary Commission's (WSSC's) Capital Budget consists of the Water Supply Bond, Sewage Disposal Bond, and General Construction Bond funds. Each fund is a separate entity authorized to expend funds for prescribed purposes and to derive revenues from specific sources, primarily proceeds from the issuance of bonds. The purposes and revenue sources of each fund are prescribed by law in the Washington Suburban Sanitary District Code. The Capital Budget is also composed of a number of programs for which funds are expended. Specifically, these are the water and sewer Capital Improvements Program, the Systems Reconstruction Program, the Engineering Support Program, Other Capital Projects, and General Construction of Local Lines. The fund and program formats and their relationships are discussed in this section.

Water Supply Bond Fund

Purposes of Fund - To plan, design, and construct dams and reservoirs, water filtration plants, water pumping stations, water storage facilities, water supply lines of 16 inches in diameter and larger, and improvements or modifications to these facilities.

Sources of Revenue

Bonds Issued and Cash On Hand - proceeds from the sale of Water Supply Bonds, and cash on hand at the beginning of the fiscal year.

Anticipated Contributions - contributions made by private parties for the excess cost of extending major water lines to certain areas, or to offset the cost of unusual conditions of providing service, and payments to the WSSC from local governments or agencies for the co-use of facilities or for the relocation of pipelines.

System Development Charge (SDC) - a charge to pay for that part of the Commission's Capital Improvements Program needed to accommodate growth.

CAPITAL FUNDS

(Continued)

Sewage Disposal Bond Fund

Purposes of Fund - To plan, design, and construct trunk and intercepting sewers 15 inches in diameter and larger; sewage pumping stations and force mains; sewage disposal facilities; along with improvements or modifications to these facilities; and reimbursement to the District of Columbia Water and Sewer Authority for construction at Blue Plains.

Sources of Revenue

Bonds Issued and Cash On Hand - proceeds from the sale of Sewage Disposal Bonds, and cash on hand at the beginning of the fiscal year.

Anticipated Contributions (Federal) - federal grant funds.

Anticipated Contributions (State) - state grant funds.

Anticipated Contributions (Other) - contributions made by private parties for the excess cost of extending major sewerage lines to certain areas, or to offset the cost of unusual conditions of providing service, and payments to the WSSC from local governments or agencies for the co-use of facilities or for the relocation of pipelines.

System Development Charge (SDC) - a charge to pay for that part of the Commission's Capital Improvements Program needed to accommodate growth.

CAPITAL FUNDS

(Continued)

General Construction Bond Fund

Purposes of Fund - To finance a major portion of the cost of constructing minor water and sewer lines (up to 15 inches in diameter for water and 14 inches in diameter for sewer); constructing new administrative and support facilities; modifying, enlarging, or replacing existing support facilities; relocating facilities; and purchasing water meters.

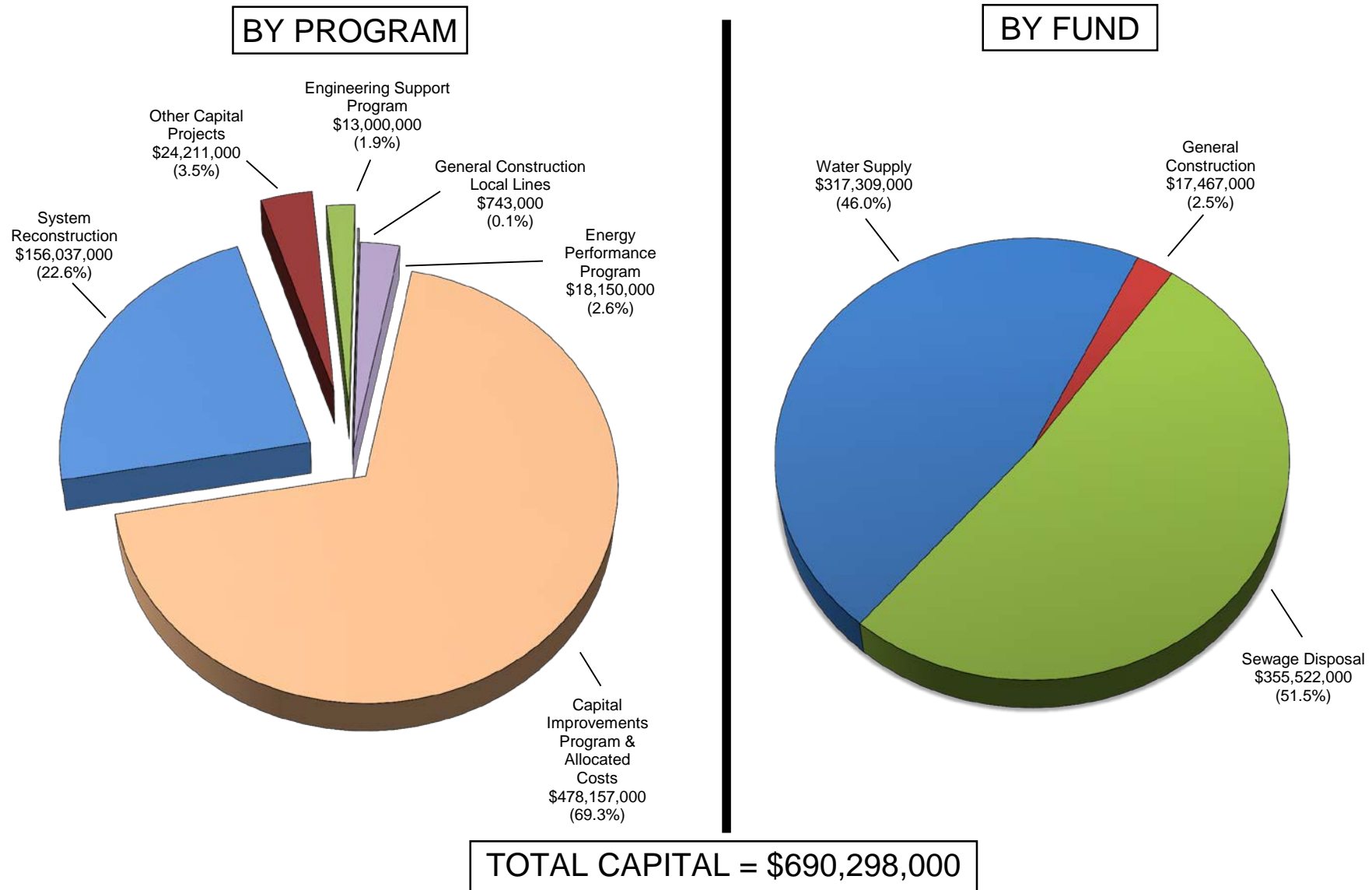
Sources of Revenue

Bonds Issued and Cash On Hand - proceeds from the sale of General Construction Bonds and cash on hand at the beginning of the fiscal year.

Anticipated Contributions - house connection charges which are paid as a lump sum, and contributions made by private parties for the excess cost of extending lateral water and sewer lines to certain areas.

FY 2017 APPROVED BUDGET

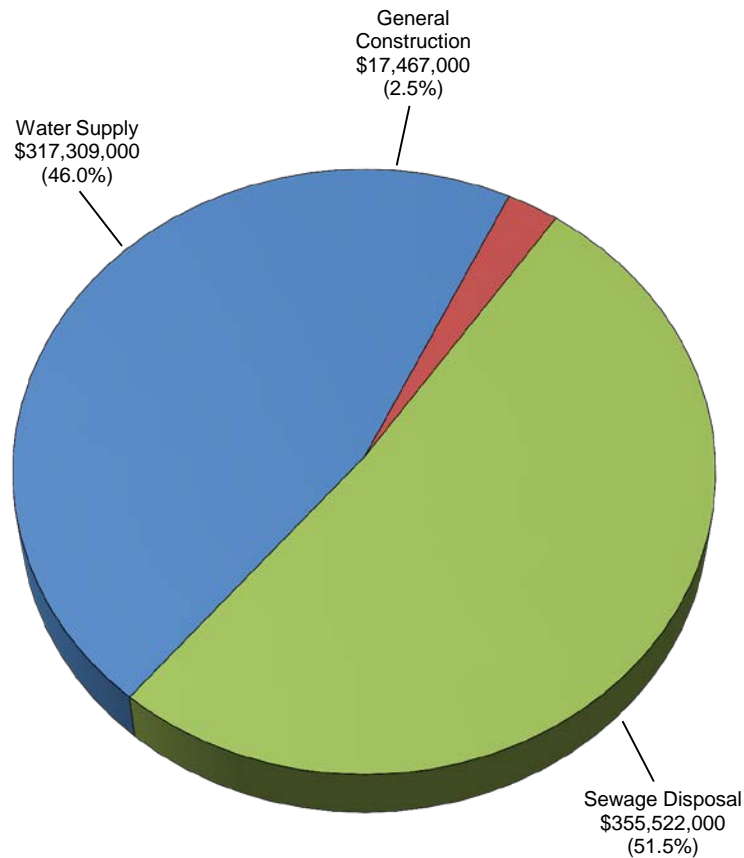
CAPITAL EXPENDITURES



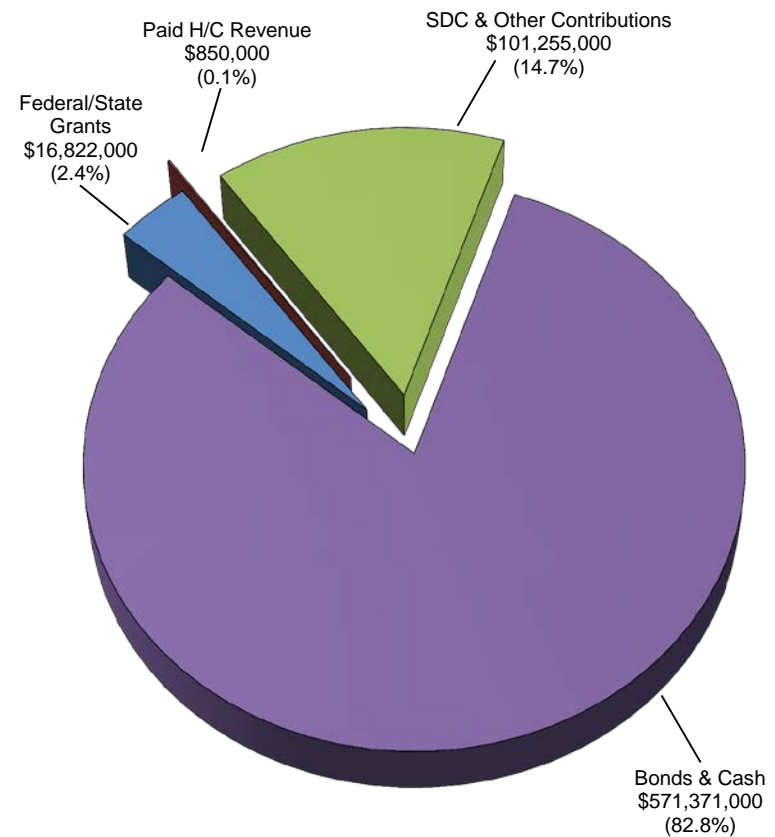
FY 2017 APPROVED BUDGET

CAPITAL

BY FUND



BY SOURCE



SDC = System Development Charge
H/C = House Connection

TOTAL CAPITAL = \$690,298,000

STATEMENT OF CAPITAL FUNDS, INCOME, AND EXPENDITURES

CAPITAL FUNDS TOTAL

(\$ In Thousands)

	<u>FY'15 Actual</u>	<u>FY'16 Approved Budget</u>	<u>FY'17 Approved Budget</u>
<u>GROSS FUNDS AVAILABLE</u>			
Bonds Issued and Cash on Hand	\$ 411,487	\$ 554,205	\$ 571,371
Anticipated Contributions:			
Federal and State Grants	17,343	26,872	16,822
System Development Charge (SDC)	49,157	80,327	77,978
Other	30,636	23,228	24,127
Available for Current Construction	<u>508,623</u>	<u>684,632</u>	<u>690,298</u>
<u>CAPITAL COSTS</u>			
Salaries & Wages	27,502	26,503	28,667
Contract Work	307,160	421,992	442,324
Consulting Engineers	45,246	57,912	54,851
All Other	175,467	178,225	164,456
TOTAL COSTS	<u>555,375</u>	<u>684,632</u>	<u>690,298</u>
Funds Available After Current Construction	<u>\$ (46,752)</u>	<u>\$ -</u>	<u>\$ -</u>

**FY'17 APPROVED CAPITAL BUDGET
FUND AND PROGRAM RELATIONSHIP**

(\$ In Thousands)

Displayed below is the relationship between the three Major Capital Funds and the Program Categories.

<u>Distribution by Program Category *</u>	<u>Grand Total</u>	<u>Water</u>	<u>Sewer</u>	<u>General Construction</u>
Capital Improvements Program (CIP)** & Allocated Costs	\$ 478,157	\$ 190,699	\$ 273,816	\$ 13,642
Systems Reconstruction Program	156,037	100,226	55,811	-
Engineering Support Program	13,000	6,500	6,500	-
Energy Performance Program	18,150	2,645	15,505	-
Other Capital Projects	24,211	17,239	3,890	3,082
General Construction - Local Lines	<u>743</u>	<u>-</u>	<u>-</u>	<u>743</u>
TOTAL	<u><u>\$ 690,298</u></u>	<u><u>\$ 317,309</u></u>	<u><u>\$ 355,522</u></u>	<u><u>\$ 17,467</u></u>

*Operating costs are not included.

**CIP does not include those projects that will be funded and constructed by others.

**FY'17 ESTIMATES FOR
SIX-YEAR CAPITAL IMPROVEMENTS PROGRAM - WATER
(In Thousands)**

<u>PROJECT NUMBER</u>	<u>PROJECT NAME</u>	<u>LAND AND RIGHTS OF WAY</u>	<u>PLANNING/ DESIGN FEES</u>	<u>CONSTRUCTION COSTS</u>	<u>OTHER COSTS</u>	<u>FY'17 TOTAL</u>
<u>MONTGOMERY COUNTY</u>						
W-3.02	Olney Standpipe Replacement	\$ -	\$ 304	\$ 2,792	\$ 464	\$ 3,560
W-46.14	Clarksburg Area Stage 3 Water Main, Parts 1, 2, & 3	-	451	1,072	228	1,751
W-46.15	Clarksburg Elevated Water Storage Facility	-	134	983	168	1,285
W-46.24	Clarksburg Area Stage 3 Water Main, Part 4	-	120	879	150	1,149
W-46.25	Clarksburg Area Stage 3 Water Main, Part 5	-	15	113	19	147
W-90.04	Brink Zone Reliability Improvements	-	250	1,000	188	1,438
W-138.02	Shady Grove Standpipe Replacement	-	309	2,844	473	3,626
MONTGOMERY COUNTY SUBTOTALS		\$ -	\$ 1,583	\$ 9,683	\$ 1,690	\$ 12,956
<u>BI-COUNTY</u>						
W-73.19	Potomac WFP Outdoor Substation No. 2 Replacement	\$ -	\$ 847	\$ 5,500	\$ 635	\$ 6,982
W-73.21	Potomac WFP Corrosion Mitigation	-	35	2,000	204	2,239
W-73.22	Potomac WFP Pre-Filter Chlorination & Air Scour Improvements	-	139	2,192	233	2,564
W-73.30	Potomac WFP Submerged Channel Intake	-	1,000	-	50	1,050
W-73.32	Potomac WFP Main Zone Pipeline	-	321	-	32	353
W-73.33	Potomac WFP Consent Decree Program	600	2,000	-	100	2,700
W-127.01	Bi-County Water Tunnel	-	10	20	2	32
W-139.02	Duckett & Brighton Dam Upgrades	-	725	7,250	798	8,773
W-161.01	Large Diameter Water Pipe & Large Valve Rehabilitation Program	-	3,842	41,960	2,290	48,092
W-172.05	Patuxent WFP Phase II Expansion	-	2,231	14,700	847	17,778
W-172.07	Patuxent Raw Water Pipeline	-	100	5,000	510	5,610
W-172.08	Rocky Gorge Pump Station Upgrade	-	934	5,942	688	7,564
W-202.00	Land & Rights-of-Way Acquisition - Bi-County Water	425	-	-	-	425
BI-COUNTY SUBTOTALS		\$ 1,025	\$ 12,184	\$ 84,564	\$ 6,389	\$ 104,162

**FY'17 ESTIMATES FOR
SIX-YEAR CAPITAL IMPROVEMENTS PROGRAM - WATER
(In Thousands)**

<u>PROJECT NUMBER</u>	<u>PROJECT NAME</u>	<u>LAND AND RIGHTS OF WAY</u>	<u>PLANNING/ DESIGN FEES</u>	<u>CONSTRUCTION COSTS</u>	<u>OTHER COSTS</u>	<u>FY'17 TOTAL</u>
<u>PRINCE GEORGE'S COUNTY</u>						
W-12.02	Prince George's County HG415 Zone Water Main	\$ -	\$ 3	\$ 1,821	\$ 274	\$ 2,098
W-34.02	Old Branch Avenue Water Main	-	100	2,933	303	3,336
W-34.03	Water Transmission Improvements 385B Pressure Zone	-	100	2,500	260	2,860
W-34.04	Branch Avenue Water Transmission Improvements	-	200	14,880	754	15,834
W-34.05	Marlboro Zone Reinforcement Main	-	10	1,167	177	1,354
W-62.05	Clinton Zone Water Storage Facility Implementation	-	300	1,500	180	1,980
W-65.10	St. Barnabas Elevated Tank Replacement	-	171	4,632	721	5,524
W-84.02	Ritchie Marlboro Road Transmission Main & PRV	-	12	4,000	401	4,413
W-84.03	Smith Home Farms Water Main	-	60	285	52	397
W-84.04	Westphalia Town Center Water Main	-	58	197	38	293
W-84.05	Prince George's County 450A Zone Water Main	-	1,463	-	146	1,609
W-93.01	Konterra Town Center East Water Main	-	70	468	81	619
W-105.01	Marlton Section 18 Water Main, Lake Marlton Avenue	-	37	288	49	374
W-111.05	Hillmeade Road Water Main	-	30	2,600	395	3,025
W-119.01	John Hanson Highway Water Main, Part 1	-	130	5,958	609	6,697
W-120.14	Lakeview at Brandywine Water Main, Part 1	-	3	6	1	10
W-120.15	Lakeview at Brandywine Water Main, Part 2	-	12		2	14
W-120.16	Lakeview at Brandywine Water Main, Part 3	-	2	27	4	33
W-123.14	Old Marlboro Pike Water Main	-	15	141	23	179
W-123.20	Oak Grove/Leeland Roads Water Main, Part 2	-	20	3,000	452	3,472
W-137.02	South Potomac Supply Improvement	-	811	11,008	591	12,410
W-147.00	Collington Elevated Water Storage Facility	-	11	20	3	34
<u>PRINCE GEORGE'S COUNTY SUBTOTALS</u>		\$ -	\$ 3,618	\$ 57,431	\$ 5,516	\$ 66,565
<u>GRAND TOTAL WATER PROJECTS</u>		\$ 1,025	\$ 17,385	\$ 151,678	\$ 13,595	\$ 183,683

**FY'17 ESTIMATES FOR
SIX-YEAR CAPITAL IMPROVEMENTS PROGRAM - SEWER
(In Thousands)**

<u>PROJECT NUMBER</u>	<u>PROJECT NAME</u>	<u>LAND AND RIGHTS OF WAY</u>	<u>PLANNING/ DESIGN FEES</u>	<u>CONSTRUCTION COSTS</u>	<u>OTHER COSTS</u>	<u>FY'17 TOTAL</u>
<u>MONTGOMERY COUNTY</u>						
S-25.03	Twinbrook Commons Sewer	\$ -	\$ 8	\$ 130	\$ 21	\$ 159
S-25.04	Mid-Pike Plaza Sewer Main, Phase 1	-	8	100	16	124
S-25.05	Mid-Pike Plaza Sewer Main, Phase 2	-	247	2,455	405	3,107
S-53.21	Seneca WWTP Enhanced Nutrient Removal	-	1	20	1	22
S-53.22	Seneca WWTP Expansion, Part 2	-	1	20	1	22
S-84.47	Clarksburg Triangle Outfall Sewer, Part 2	-	12	471	72	555
S-84.60	Cabin Branch Wastewater Pumping Station	-	75	315	59	449
S-84.61	Cabin Branch WWPS Force Main	-	27	97	19	143
S-84.65	Tapestry Wastewater Pumping Station	-	103	298	60	461
S-84.66	Tapestry WWPS Force Main	-	-	32	5	37
S-85.21	Shady Grove Station Sewer Augmentation	-	11	1,016	154	1,181
S-103.16	Cabin John Trunk Sewer Relief	-	180	5,352	553	6,085
<u>MONTGOMERY COUNTY SUBTOTALS</u>		\$ -	\$ 673	\$ 10,306	\$ 1,366	\$ 12,345
<u>BI-COUNTY</u>						
S-22.06	Blue Plains WWTP: Liquid Train Projects, Part 2	\$ -	\$ 2,952	\$ 9,006	\$ 120	\$ 12,078
S-22.07	Blue Plains WWTP: Biosolids Management, Part 2	-	1,158	2,812	40	4,010
S-22.09	Blue Plains WWTP: Plant-wide Projects	-	2,396	5,764	82	8,242
S-22.10	Blue Plains WWTP: Enhanced Nutrient Removal	-	8,613	38,354	470	47,437
S-22.11	Blue Plains: Pipelines & Appurtenances	-	4,683	12,242	169	17,094
S-103.02	Piscataway WWTP Bio-Energy Project	-	4,050	-	204	4,254
S-170.08	Septage Discharge Facility Planning & Implementation	-	440	1,792	223	2,455
S-170.09	Trunk Sewer Reconstruction Program	-	30,769	102,000	12,752	145,521
S-203.00	Land & Rights-of-Way Acquisition - Bi-County Sewer	122	-	-	-	122
<u>BI-COUNTY SUBTOTALS</u>		\$ 122	\$ 55,061	\$ 171,970	\$ 14,060	\$ 241,213

WATER AND SEWER RATES AND OTHER MISCELLANEOUS FEES

SECTION 8

TABLE VII

Annual Customer Bills At Various Consumption Levels

Average Daily Consumption (ADC) Gallons Per Day	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
100 (36,500 GAL/YR) 3/4" Residential Meter	\$ 354.98	\$ 377.61	\$ 395.86	\$ 443.51	\$ 478.10
145 (52,925 GAL/YR) 3/4" Residential Meter	494.92	527.73	554.20	603.49	642.84
500 (182,500 GAL/YR) 3/4" Residential Meter	2,631.85	2,819.83	2,973.13	3,046.33	3,159.75
1,000 (365,000 GAL/YR) 2" Meter	5,675.35	6,073.20	6,394.40	6,730.45	7,286.60
5,000 (1,825,000 GAL/YR) 3" Meter	28,363.50	30,389.25	32,031.75	33,408.00	35,527.00
10,000 (3,650,000 GAL/YR) 6" Meter	58,983.00	63,180.50	66,611.50	69,466.50	73,967.60

Annual customer bills include the Account Maintenance Fee shown on page 22 and the Infrastructure Investment Fee shown on page 23.

WASHINGTON SUBURBAN SANITARY COMMISSION
WATER AND SEWER RATE SCHEDULE

APPROVED FOR IMPLEMENTATION JULY 1, 2016

Average Daily Consumption by Customer Unit During Billing Period (Gallons Per Day)	Water Rates		Sewer Rates		Combined Water & Sewer Rates	
	July 1, 2015 Rates Per 1,000 Gallons	July 1, 2016 Rates Per 1,000 Gallons	July 1, 2015 Rates Per 1,000 Gallons	July 1, 2016 Rates Per 1,000 Gallons	July 1, 2015 Rates Per 1,000 Gallons	July 1, 2016 Rates Per 1,000 Gallons
0-49	\$ 3.20	\$ 3.38	\$ 4.26	\$ 4.30	\$ 7.46	\$ 7.68
50-99	3.57	3.78	4.98	5.03	8.55	8.81
100-149	3.94	4.18	5.80	5.85	9.74	10.03
150-199	4.41	4.67	6.69	6.76	11.10	11.43
200-249	5.16	5.46	7.29	7.36	12.45	12.82
250-299	5.59	5.92	7.90	7.97	13.49	13.89
300-349	5.92	6.27	8.42	8.50	14.34	14.77
350-399	6.16	6.53	8.84	8.92	15.00	15.45
400-449	6.40	6.78	9.04	9.12	15.44	15.90
450-499	6.58	6.98	9.32	9.40	15.90	16.38
500-749	6.70	7.10	9.51	9.60	16.21	16.70
750-999	6.86	7.27	9.72	9.81	16.58	17.08
1,000-3,999	6.99	7.41	10.14	10.23	17.13	17.64
4,000-6,999	7.15	7.58	10.37	10.46	17.52	18.04
7,000-8,999	7.25	7.68	10.52	10.62	17.77	18.30
9,000 & Greater	7.37	7.81	10.80	10.90	18.17	18.71

Flat Rate Sewer Charge - \$105.00 per quarter

ACCOUNT MAINTENANCE FEES

APPROVED FOR IMPLEMENTATION JULY 1, 2016

Meter Size	Approved FY'16 Quarterly Charges	Approved FY'17 Quarterly Charges
<u>Small Meters</u>		
5/8" to 1"	\$ 16.00	\$ 16.00
<u>Large Meters</u>		
1-1/2"	16.00	16.00
2"	27.00	27.00
3"	66.00	66.00
4"	142.00	142.00
6"	154.00	154.00
8"	200.00	200.00
10"	246.00	246.00
<u>Detector Check Meters</u>		
2"	33.00	33.00
4"	177.00	177.00
6"	255.00	255.00
8"	461.00	461.00
10"	633.00	633.00
<u>Fire Service Meters</u>		
4"	182.00	182.00
6"	293.00	293.00
8"	452.00	452.00
10"	682.00	682.00
12"	989.00	989.00

This is a quarterly fee which is prorated based on the length of the billing cycle.

All 1-1/2" meters are now included under the Large Meters category.

INFRASTRUCTURE INVESTMENT FEES

APPROVED FOR IMPLEMENTATION JULY 1, 2016

<u>Meter Size</u>	Approved FY'16 Quarterly Charges	Approved FY'17 Quarterly Charges *
<u>Small Meters</u>		
5/8"	\$ 5.50	\$ 11.00
3/4"	6.00	12.00
1"	7.00	14.00
 <u>Large Meters</u>		
1-1/2"	42.00	90.00
2"	92.50	185.00
3"	292.50	585.00
4"	406.50	813.00
6"	632.50	1,265.00
8"	1,422.50	2,845.00
10"	2,212.50	4,425.00
 <u>Fire Service Meters</u>		
4"	249.50	499.00
6"	308.00	616.00
8"	1,262.00	2,524.00
10"	1,357.00	2,714.00
12"	2,607.00	5,214.00

This is a quarterly fee which is prorated based on the length of the billing cycle.

All 1-1/2" meters are now included under the Large Meters category.

FY'17 APPROVED FEES AND CHARGES

(Effective July 1, 2016)

APPROVED CHARGE

1. INSPECTION FEES

Water/Sewer Connection Hookup, Well/Septic Hookup,
Plumbing and Gasfitting Inspections

New Single Family Detached Dwellings	\$660
New Attached Dwellings (townhouse/multiplex excluding apartments)	660
All Other Residential:	
Water/Well Hookup	95
Meter Yoke Inspection (meter only installation)	95
Water Hookup Converting from Well (includes 2 inspections)	185
Sewer/Septic Hookup	95
First Plumbing Fixture	95
Each Additional Fixture	30
SDC Credit Fixture Inspection (per fixture)	30
Minimum Permit Fee	200
Permit Reprocessing Fee	55
Long Form Permit Refund Fee	200
Long Form Permit Re-Issue Fee	200
All Non-Residential:	
Plan Review (without Permit Application)	
50 Fixtures or Less	395
51-200 Fixtures	1,340
Over 200 Fixtures	2,670
2 nd or 3 rd Review (with or without Permit Application)	
50 Fixtures or Less	160
51-200 Fixtures	300
Over 200 Fixtures	640
Water/Well Hookup	155
Meter Yoke Inspection (meter only installation)	155
Sewer/Septic Hookup	155
FOG Interceptor	155
First Plumbing Fixture	155
Each Additional Fixture	40
SDC Credit Fixture Inspection (per fixture)	25
Minimum Permit Fee	230
Permit Reprocessing Fee	60
Long Form Permit Refund Fee	230
Long Form Permit Re-Issue Fee	230

FY'17 APPROVED FEES AND CHARGES

(Effective July 1, 2016)

APPROVED CHARGE

2. SITE UTILITY (ON-SITE) REVIEW FEE	
Base Fee	\$3,190
Additional Fee per 100 feet	275
Minor (Waived) Site Utility (On-Site) Fee	795
3. LICENSE FEES FOR THE REGULATED TRADES	
Reciprocal Master Plumber, Gasfitter	
- Initial Registration per type	85/2 years
- Registration Renewal all types	85/2 years
- Late Registration Renewal	50
Examined	
- Master Plumber, Gasfitter	
- Initial Registration per type	105/4 years
- Registration Renewal all types	105/4 years
- Late Registration Renewal	50
- Cross-Connection Technician Registration	25
- Sewer and Drain Cleaner Registration and Renewal	40/2 years
- Sewer and Drain Cleaner Late Registration Renewal	20
- Journeyman License	
- Initial Registration per type	30/2 years
- Registration Renewal	30/2 years
- Late Registration Renewal	20
- License Transfer Fee	30
- License Replacement Fee	15
- Apprentice License Registration/Renewal	10
4. SHORT FORM PERMIT FEE (up to 3 fixtures) – Non-Refundable	75

FY'17 APPROVED FEES AND CHARGES

(Effective July 1, 2016)

APPROVED CHARGE

5.	FEE FOR SALE OF COPIES OF PLANS, PLATS & 200' REFERENCE MAPS Xerographic	\$6.00/sheet
6.	FEE FOR SALE OF WSSC PLUMBING AND FUEL GAS CODE (PLUMBING CODE) and Cross Connection Control Manual Sale of Plumbing Regulation (per book)	30/book
7.	SEPTIC HAULER DISCHARGE PERMIT STICKER	
	<u>CATEGORY I</u>	
	<u>Residential & Septic Waste & Grease</u>	
	1 - 49 Gallons	250/vehicle
	50 - 799 Gallons	3,645/vehicle
	800 - 2,999 Gallons	10,395/vehicle
	3,000 Gallons and Up	24,655/vehicle
	January through June	50% of fee
	Transfer and/or Replacement Permit Sticker	85
	Industrial/Special Waste Disposal Fee	325/1,000 gallons
	Zero Discharge Permit Fee	85
	Temporary Discharge Permit Fee	85 + Sewer Rate/1,000 gallons
	Sewer Rate – Domestic Low Strength Wastewater	10.14/1,000 gallons of truck capacity
	Sewer Rate – Domestic High Strength Wastewater	53.69/1,000 gallons of truck capacity
8.	LONG FORM PERMIT TRANSFER FEE	140
9.	SMALL METER REPLACEMENT FEE (at Customer Request)	195
10.	METER REPLACEMENT FEE (Damaged or Stolen Meter)	
	5/8" Encoder (outside)	150
	5/8" Encoder	150
	3/4" Encoder (outside)	150
	3/4" Encoder	150
	1" Encoder (outside)	180
	1" Encoder	180
	1-1/2"	750
	2" Standard	1,100
	3" Compound	3,190

FY'17 APPROVED FEES AND CHARGES

(Effective July 1, 2016)

APPROVED CHARGE

4" Compound	\$3,960
6" Compound	5,830
2" MVR	1,210
3" MVR	2,035
4" MVR	2,915
6" MVR	4,510
4" FM w/2" MVR	7,700
6" FM w/3" MVR	9,820
8" FM w/4" MVR	11,495
10" FM w/6" MVR	14,225
12" FM	16,250
11. METER TESTING FEES	
5/8" to 1"	230
1-1/2"	400
2" and up	470
12. SUB-METER INSTALLATION FEES	
One-time Sub-Meter Charge - Small	245
One-time Sub-Meter Charge - Large	485
One-time Inspection Fee	50
Minimum Permit Inspection Fee	200
13. TAPPER LICENSE FEE	
Permit Fee	330
Duplicate Fee	30
14. TEMPORARY FIRE HYDRANT CONNECTION FEE	
3/4" Meter - Deposit	
2 Weeks or Less w/approved payment record	0
Over 2 Weeks/Less than 2 weeks w/unapproved payment record	370
3" Meter - Deposit	
2 Weeks or Less w/approved payment record	0
Over 2 Weeks/Less than 2 weeks w/unapproved payment record	2,420
Service Charge	
2 Weeks or Less (3/4" meter)	45
2 Weeks or Less (3" meter)	130

FY'17 APPROVED FEES AND CHARGES

(Effective July 1, 2016)

	<u>APPROVED CHARGE</u>
Over 2 Weeks (3/4" and 3" meters)	\$145
Water Consumption Charge - 3/4" Meter	Current approved rate for 1,000 gallons ADC; \$30 minimum
Water Consumption Charge - 3" Meter	Current approved rate for 1,000 gallons ADC; \$195 minimum
Late Fee for Return of Meter	7/day
Fee on Unpaid Temporary Fire Hydrant Meter Billings	1½%/month
Loss/Destruction of Meter	Replacement Cost
Loss/Destruction of Wrench	40
15. FEE FOR TRUCK INSPECTIONS WITH ATTACHED FIRE HYDRANT METER	50/2 years
16. WATER TURN-OFF, TURN-ON FEE	
Small Meter Turn-Off	70
Small Meter Turn-On	70
Large Meter Turn-Off	195
Large Meter Turn-On	195
17. FEASIBILITY REVIEW FEE (NON-SEP)	
Feasibility Review & Report Fee Deposit	
(can be deferred as deficit when extension is completed)	8,525
Feasibility Submission Fee (Non-Refundable)	1,375
18. INDUSTRIAL DISCHARGE CONTROL PROGRAM FEES BY CATEGORY	
Industrial users subject to Categorical Pretreatment Standards	
(less than 5,000 gpd) (double visit)	3,655
Industrial users subject to Categorical Pretreatment Standards	
(greater than 5,000 gpd) (double visit)	5,600
Non-Discharging Categorical Industries (zero discharge)	985

FY'17 APPROVED FEES AND CHARGES

(Effective July 1, 2016)

	<u>APPROVED CHARGE</u>
Significant Industrial User (less than 25,000 gpd) (single visit – priority pollutant sampling)	\$3,655
Significant Industrial User (greater than 25,000 gpd) (double visit – priority pollutant sampling)	5,600
Penalty Charge for Late Fee Payment	5% of fee
19. FEES FOR SALE OF CONTRACT SPECIFICATIONS, CONTRACT SPECIFICATION BOOKS, DRAWINGS, DESIGN MANUALS, STANDARD DETAILS, AND GENERAL CONDITIONS	
Construction Specifications/Drawings	
Utility Contracts	15
Facility Contracts	40-450
Construction Standard Details	55
Construction General Conditions & Standard Specifications	40
SEP Construction General Conditions & Standard Specifications	40
Procurement Specifications/Drawings/General Conditions	
With Routine Specifications	No charge
With Complex/Voluminous Specifications	35-200
20. WATERSHED USE PERMIT FEES	
Seasonal Watershed Use Permit	70
Single Day Watershed Use Permit	6
Boat Mooring (April 1 – November 15)	80
Boat Mooring (November 16 – March 31)	55
Boat/Craft Removal Fee	100
Monthly Storage Fee for Removed Boats	80
Rental for the Azalea Garden	75/4 hours
Rental for the Bio-Brick Pavillion	75/4 hours
Boarding Stable Entrance Permit	250
Adjacent Landowner Entrance Permit	80
Picnic Permit	6/groups of 1-5 persons 12/groups of 6-10 persons 18/groups of 11-15 persons
21. CALL BACK FEE (small meters, plumbers)	90
22. CALL BACK FEE (large meters, plumbers)	180
23. MISSED APPOINTMENT FEE	
First Missed Appointment or Turn-On	80
Each Additional Missed Appointment	110

FY'17 APPROVED FEES AND CHARGES

(Effective July 1, 2016)

APPROVED CHARGE

24. PATUXENT WATERSHED CIVIL CITATION FEE (STATE MANDATED)	
First offense	\$150
Each additional offense within calendar year	300
25. CONNECTION REDEMPTION FEE	35
26. CONNECTION ABANDONMENT FEE	
County Roads (Except Arterial Roads) - Water	1,320
County Roads (Except Arterial Roads) - Sewer	1,760
State Roads and County Arterial Roads - Water	1,760
State Roads and County Arterial Roads - Sewer	2,200
27. FIRE HYDRANT INSPECTION FEE	110/hydrant
Controlled Access Surcharge Fee	25
28. UTILITY EROSION AND SEDIMENT CONTROL PERMIT FEE	
Minor Projects	.14 per linear ft.
Major Projects	.18 per linear ft.
Minimum for Major Projects	120
29. EROSION AND SEDIMENT CONTROL TRAINING PACKAGE FEE	725/package
30. EROSION AND SEDIMENT CONTROL TRAINING CERTIFICATION SESSION FEE	60/session, per participant
31. FEE FOR SALE OF EROSION AND SEDIMENT CONTROL FIELD GUIDE	10
32. CIVIL CITATION FEES - SEDIMENT CONTROL, THEFT OF SERVICE, AND PLUMBING CIVIL CITATIONS (STATE MANDATED)	
First Offense	250
Second Offense	500
Third Offense	750
Each Violation in Excess of Three	1,000

FY'17 APPROVED FEES AND CHARGES

(Effective July 1, 2016)

APPROVED CHARGE

33. CHARGE FOR PHOTOCOPIES OF WSSC DOCUMENTS (per copied page)	
Readily Available Source Material	\$.25/page (single side)
Certified Copy of Readily Available Source Material	.50/page (single side)
Scanning Documents	.25/page (single side)
 (A reasonable fee may be charged for time in excess of two hours expended by WSSC in searching for requested records or preparing such records for inspection and copying.)	
34. DISHONORED CHECK FEE & ELECTRONIC PAYMENT FEE (applies to all dishonored checks and all dishonored electronic payments)	35
35. FIRE HYDRANT FLOW TEST FEE	
No Current Test	630
Current Test	75
36. SHUT DOWN/CHARGE WATER MAIN FEE	905
Shut Down/Complex Water Main Fee	1,695
37. RIGHT-OF-WAY RELEASE REVIEW FEE	905/document
38. FEE FOR REVIEW AND INSPECTION OF SITE WORK POTENTIALLY IMPACTING WSSC PIPELINES	
Simple Review	330
Complex Review	1,895
Inspection	220/inspection
39. FEE FOR WSSC PIPELINE DESIGN MANUAL	90
40. CHLORINATION CONFIRMATION TEST FEE	220/first test
Re-Test or Additional Tests	150/hour
41. METER REINSTALLATION CORRECTION FEE	340
42. SEWER METER MAINTENANCE FEE	9,920/year
Quarterly Calibrations	2,480/quarter

FY'17 APPROVED FEES AND CHARGES

(Effective July 1, 2016)

APPROVED CHARGE

43. DISCHARGE AUTHORIZATION PERMIT FEE	
Significant Industrial User – Initial Permit	\$4,345/4 years
Significant Industrial User – Renewal	2,130/4 years
Initial zero-discharge CIU Permit	1,650/4 years
Reissued zero-discharge CIU Permit	1,100/4 years
Temporary Discharge Permit (Non – SIU)	4,345
44. SALE OF WSSD LAWS	
Bound Volume	75
Supplements	36
45. PROPERTY INSPECTION FEE	85
46. DESIGN REVIEW	
Development is More than 10 Residential Units or Commercial	6,500
Development is 10 Residential Units or Less	3,250
47. CONSTRUCTION SERVICES FEE	12% of construction bond costs less design review fee
Re-Test or Additional Tests or Inspector Overtime	190/hour
48. SYSTEMS INSPECTION GROUP REVIEW FEE FOR ADDITIONAL REVIEWS OF CONTRACT DOCUMENTS AND AS-BUILTS	190/hour
49. EXTRA REVIEW FEE	
Minor Additional Reviews of Unsigned or Signed Plans (per review)	950
Major/Splitting Additional Reviews of Unsigned or Signed Plans (per review)	2,000
Per Site Utility/Minor Utility Additional Signed or Unsigned Plan Review	
Site Utility	1,200
Minor Utility	300
Per Hydraulic Planning Analysis/Systems Planning Forecast Application	
Additional Review of Required Data (per application)	650
50. RIGHT-OF-WAY ACQUISITION REIMBURSEMENT FOR SEP FEE	Actual
51. HYDRAULIC PLANNING ANALYSIS AND SYSTEM PLANNING FORECAST	
Modeling and Re-Modeling Fee - up to 3 parts	1,265

FY'17 APPROVED FEES AND CHARGES

(Effective July 1, 2016)

	<u>APPROVED CHARGE</u>
Modeling and Re-Modeling Fee - per part over 3	\$550/part
Pressure Sewer Review Fee (per system)	290
52. ENVIRONMENTAL SITE REVIEW FEE	
With Database Search Conducted by WSSC	330
With Database Search Submitted by Applicant	250
53. IN-HOUSE DESIGN DEPOSIT	Total estimated design costs
54. PARTIAL RELEASE	1,100
55. OFF-PROPERTY SERVICE CONNECTION REIMBURSEMENT	Prevailing service connection fee
56. SERVICE CONNECTION APPLICATION AND INSPECTION FEE (per permit)	1,980/water and/or sewer connection
57. FACILITIES DESIGN GUIDELINES FEE	30
58. RELOCATION DESIGN REVIEW FEE	6,500
Inspection for MOU Project	600 minimum charge up to 4 hours
59. DISCHARGE FEE – Food Service Establishment (FSE)	
Full Permit FSE	425
Best Management Practices Permit FSE	120
60. LOBBYIST REGISTRATION FEE (STATE MANDATED)	100
61. FEASIBILITY REVIEW FEE FOR ON-SITE TAKEOVER PROJECTS	770
62. CREDIT CARD SURCHARGE	2% of amount charged
(Applies to customer payment of any fee/charge by credit card (MasterCard and Visa) other than water and sewer billing.)	
63. FEE FOR THE PREPARATION OF HOLD HARMLESS AGREEMENT	845
64. GOVERNMENT REFERRED PLAN REVIEW FEE	
Major Development – Over 10 Units	1,375
Minor Development – 10 or Less Units	660
Re-Review Fee for Major Development	660
Re-Review Fee for Minor Development	330
65. WAREHOUSE RESTOCKING FEE	30

FY'17 APPROVED FEES AND CHARGES

(Effective July 1, 2016)

	<u>APPROVED CHARGE</u>
66. RESIDENTIAL OUTSIDE METER HOUSING UPGRADE/PIPE ALTERATION	\$5,170
67. FEE FOR TRANSCRIBED TAPE OF A HEARING OR MEETING	Prevailing Fee Charged by Court Reporter
68. PRE-SCREEN RE-SUBMISSION FEE	300
69. CROSS CONNECTION FEE	
Test Report Fee (per report)	28
Base Fee for High Hazard Commercial Water Customer (per month)	13
Base Fee for All Other Commercial Water Customer (per month)	7
70. SITE UTILITY INSPECTION FEE	
Base Fee	1,000
Pipeline (per foot)	5.60
71. NAME/TRANSFER OF OWNERSHIP FEE	180
72. PROTEST FILING FEE	550

FY'17 APPROVED FEES AND CHARGES

(Effective July 1, 2016)

APPROVED CHARGE

SYSTEM DEVELOPMENT CHARGE

**APPROVED CHARGE
EFFECTIVE JULY 1, 2016**

**MAXIMUM
ALLOWABLE CHARGE**

73. System Development Charge

Apartment		
Water	\$896	\$1,274
Sewer	1,140	1,624
1-2 toilets/residential		
Water	1,344	1,914
Sewer	1,710	2,432
3-4 toilets/residential		
Water	2,240	3,189
Sewer	2,850	4,056
5 toilets/residential		
Water	3,135	4,463
Sewer	3,991	5,681
6+ toilets/residential (per fixture unit)		
Water	88	126
Sewer	115	165
Non-residential (per fixture unit)		
Water	88	126
Sewer	115	165