



APPROVED BUDGET

FY 2018
July 1, 2017 – June 30, 2018





Fiscal Year 2018 Approved Budget

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Howard A. Denis, Commissioner
Chris Lawson, 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 2018 APPROVED BUDGET**

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FISCAL YEAR 2018 APPROVED BUDGET**

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July 1, 2017

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) 2018, which begins on July 1, 2017. The budget was adopted by the Commission on June 21, 2017. This document reflects a total budget of \$1.4 billion, including \$741.2 million for operating expenses and \$685.5 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:

- Enhance Customer Experience and Community Engagement
- Improve Infrastructure
- Achieve Business Process Excellence and Maintain Financial Stability
- Protect our People, Infrastructure, Systems and Resources
- Inspire Employee Engagement

The Approved Budget includes a 3.5 percent increase to help us continue achieving critical objectives. Specifically, the budget provides for:

- Funding the first year of the Fiscal Years 2018-2023 Capital Improvements Program;
- Complying with the Sanitary Sewer Overflow Consent Decree;
- Inspecting and monitoring our large diameter water main transmission system;
- Promptly paying \$271.2 million in debt service on \$3.1 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 WSSC's share of operating (\$53.6 million in FY'18) and capital costs (\$64.3 million in FY'18; \$317 million in FY'18-FY'23) 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'17 Approved	FY'18 Approved	FY'18 Over / (Under) FY'17	% Change
<u>Capital Funds</u>				
Water Supply	\$317,309,000	\$342,444,918	\$25,135,918	7.9 %
Sewage Disposal	355,522,000	323,054,156	(32,467,844)	(9.1) %
General Construction	17,467,000	20,010,242	2,543,242	14.6 %
Total Capital	690,298,000	685,509,316	(4,788,684)	(0.7) %
<u>Operating Funds</u>				
Water Operating	320,236,000	321,017,005	781,005	0.2 %
Sewer Operating	396,782,000	404,331,357	7,549,357	1.9 %
General Bond Debt Service	19,364,000	15,887,815	(3,476,185)	(18.0) %
Total Operating	736,382,000	741,236,177	4,854,177	0.7 %
GRAND TOTAL	\$1,426,680,000	\$1,426,745,493	\$65,493	0.0 %

The FY'18 Approved Capital Budget of \$685.5 million represents a decrease of \$4.8 million (0.7%) from the FY'17 Approved Budget.

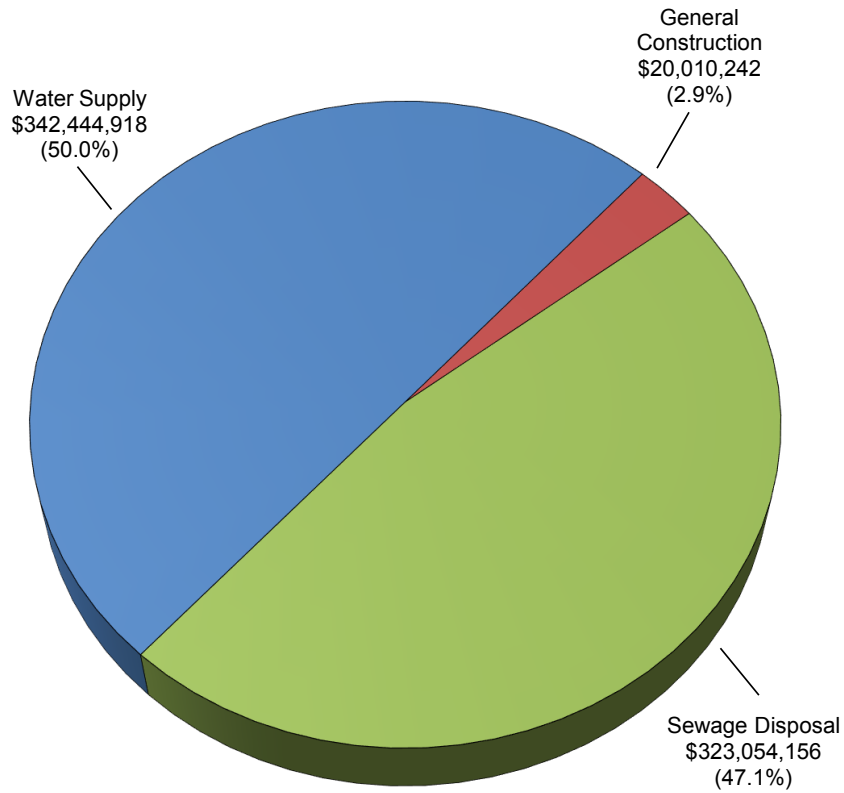
The FY'18 Approved Operating Budget of \$741.2 million represents an increase of \$4.9 million (0.7%) from the FY'17 Approved Operating Budget. The largest component of the 0.7% operating increase is due to debt service (\$9.8 million increase) and PAYGO for the capital budget (\$7.1 million increase) which were offset by other spending reductions in the Operating Budget. When controlling for the non-discretionary capital budget related expenditures, the WSSC FY'18 Operating Budget is actually 1.6% *less* than the FY'17 Approved Operating Budget.

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.

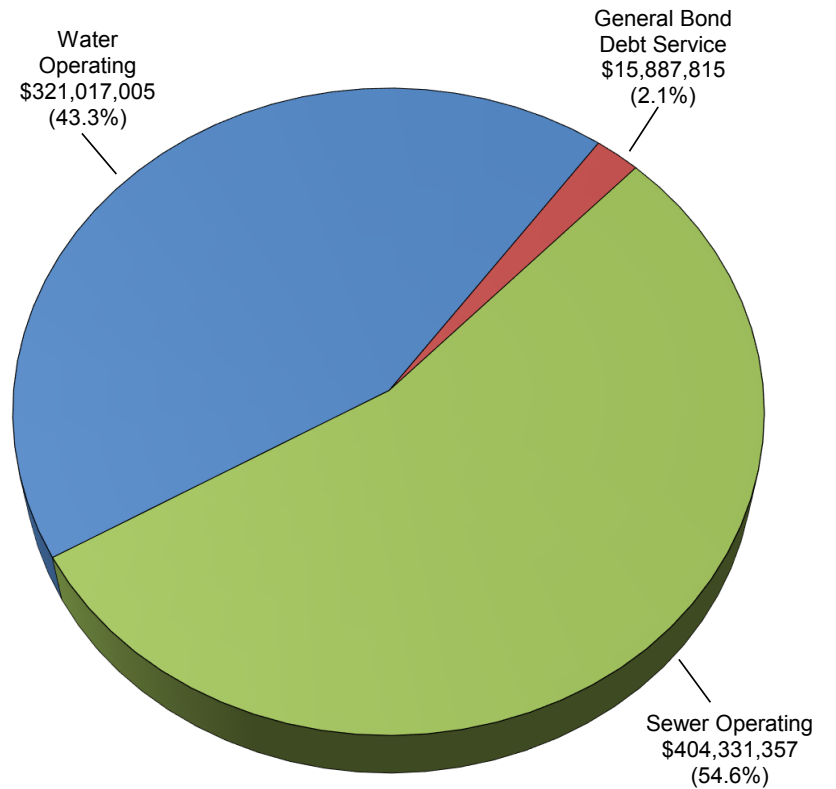
The Approved FY'18 Budget ensures that the WSSC will be able to maintain its commitment to provide safe drinking water, to ensure reliable service, and to safeguard the environment--all in a financially responsible manner. The Commission is proud to continue its tradition of innovation and excellence in serving the citizens of Prince George's and Montgomery Counties, a tradition that has been a hallmark of the WSSC for ninety-nine years.

FY 2018 APPROVED BUDGET BY FUND

CAPITAL = \$685,509,316



OPERATING = \$741,236,177



GRAND TOTAL = \$1,426,745,493

TABLE I

Comparative Expenditures by Fund

	FY'15 Actual	FY'16 Actual	FY'17 Approved	FY'18 Approved	FY'18 Over / (Under) FY'17
Capital Funds					
Water Supply	\$ 198,830,000	\$ 249,907,950	\$ 317,309,000	\$ 342,444,918	\$ 25,135,918
Sewage Disposal	353,417,000	387,241,984	355,522,000	323,054,156	(32,467,844)
General Construction	11,910,000	13,048,998	17,467,000	20,010,242	2,543,242
Total Capital	<u>564,157,000</u>	<u>650,198,932</u>	<u>690,298,000</u>	<u>685,509,316</u>	<u>(4,788,684)</u>
Operating Funds					
Water Operating	289,275,000	282,951,957	320,236,000	321,017,005	781,005
Sewer Operating	337,768,000	343,235,028	396,782,000	404,331,357	7,549,357
General Bond Debt Service	27,263,000	19,852,305	19,364,000	15,887,815	(3,476,185)
Total Operating	<u>654,306,000</u>	<u>646,039,290</u>	<u>736,382,000</u>	<u>741,236,177</u>	<u>4,854,177</u>
GRAND TOTAL	<u>\$ 1,218,463,000</u>	<u>\$ 1,296,238,222</u>	<u>\$ 1,426,680,000</u>	<u>\$ 1,426,745,493</u>	<u>\$ 65,493</u>

TABLE II

Comparative Expenditures by Major Expense Category

(\$ in Thousands)

Expense Categories	FY'16 Actual			FY'17 Approved			FY'18 Approved		
	Capital	Operating	Total	Capital	Operating	Total	Capital	Operating	Total
Salaries & Wages	\$ 29,390	\$ 104,753	\$ 134,143	\$ 28,667	\$ 114,718	\$ 143,385	\$ 30,009	\$ 120,919	\$ 150,928
Heat, Light & Power	-	22,000	22,000	-	23,581	23,581	-	22,028	22,028
Regional Sewage Disposal	-	50,068	50,068	-	54,501	54,501	-	53,617	53,617
Contract Work	379,093	-	379,093	442,324	-	442,324	453,397	-	453,397
Consulting Engineers	45,626	-	45,626	54,851	-	54,851	57,814	-	57,814
All Other	196,090	240,746	436,836	164,456	282,145	446,601	144,289	273,456	417,745
Debt Service	-	228,472	228,472	-	261,437	261,437	-	271,216	271,216
TOTAL	\$ 650,199	\$ 646,039	\$ 1,296,238	\$ 690,298	\$ 736,382	\$ 1,426,680	\$ 685,509	\$ 741,236	\$ 1,426,745

TABLE III

FY 2017 - FY 2018 Summary of Revenue & Expenses

	Water Operating Fund		Sewer Operating Fund		General Bond Debt Service Fund		Capital Funds	
	2017 Approved	2018 Approved	2017 Approved	2018 Approved	2017 Approved	2018 Approved	2017 Approved	2018 Approved
REVENUES								
Water Consumption Charges	\$ 255,054,000	\$ 267,080,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sewer Use Charges	-	-	324,182,000	333,822,000	-	-	-	-
Front Foot Benefit & House Connection Charges (Deferred)	-	-	-	-	21,719,000	18,852,000	-	-
Account Maintenance Fees	16,276,000	16,380,000	16,276,000	15,738,000	-	-	-	-
Infrastructure Investment Fee	19,481,000	19,796,560	19,481,000	19,019,440	-	-	-	-
Interest Income	100,000	100,000	600,000	600,000	100,000	20,000	-	-
Miscellaneous	15,360,000	17,660,445	14,152,000	15,871,917	300,000	240,000	-	-
Use of Fund Balance								
Reserve Contribution	3,100,000	-	3,424,000	-	-	-	-	-
Other	7,862,000	-	11,664,000	11,580,000	9,800,000	7,700,000	-	-
Reconstruction Debt Service Offset	2,800,000	-	7,000,000	7,700,000	(9,800,000)	(7,700,000)	-	-
SDC Debt Service Offset	203,000	-	3,000	-	-	-	-	-
Bonds & Cash	-	-	-	-	-	-	571,371,000	614,459,316
Anticipated Contributions:								
Federal & State Grants	-	-	-	-	-	-	16,822,000	10,780,000
System Development Charge	-	-	-	-	-	-	77,978,000	32,189,000
Other	-	-	-	-	-	-	24,127,000	28,081,000
TOTAL REVENUES	\$ 320,236,000	\$ 321,017,005	\$ 396,782,000	\$ 404,331,357	\$ 22,119,000	\$ 19,112,000	\$ 690,298,000	\$ 685,509,316
EXPENSES								
Salaries & Wages	\$ 60,897,000	\$ 64,169,215	\$ 53,191,000	\$ 56,106,695	\$ 630,000	\$ 643,475	\$ 28,667,000	\$ 30,008,906
Heat, Light & Power	12,843,000	11,760,491	10,738,000	10,254,440	-	13,330	-	-
Regional Sewage Disposal	-	-	54,501,000	53,617,000	-	-	-	-
Contract Work	-	-	-	-	-	-	442,324,000	453,397,029
Consulting Engineers	-	-	-	-	-	-	54,851,000	57,813,906
Contribution to Required Reserve	3,100,000	-	3,424,000	-	-	-	-	-
All Other	127,384,000	125,604,299	124,037,000	116,572,222	1,105,000	1,086,010	164,456,000	144,289,475
Debt Service	105,305,000	106,320,000	138,503,000	150,751,000	17,629,000	14,145,000	-	-
PAYGO	10,707,000	13,163,000	12,388,000	17,030,000	-	-	-	-
TOTAL EXPENSES	\$ 320,236,000	\$ 321,017,005	\$ 396,782,000	\$ 404,331,357	\$ 19,364,000	\$ 15,887,815	\$ 690,298,000	\$ 685,509,316
Net Increase (Decrease) in Fund Balance	-	-	-	-	2,755,000	3,224,185	-	-
Fund Balance - July 1	\$ 16,877,000	\$ 9,015,000	\$ 131,694,000	\$ 120,030,000	\$ 57,480,000	\$ 50,435,000	\$ -	\$ -
Net Increase (Decrease) in Fund Balance	-	-	-	-	2,755,000	3,224,185	-	-
Use of Fund Balance	(7,862,000)	-	(11,664,000)	(11,580,000)	(9,800,000)	(7,700,000)	-	-
Fund Balance - June 30	\$ 9,015,000	\$ 9,015,000	\$ 120,030,000	\$ 108,450,000	\$ 50,435,000	\$ 45,959,185	\$ -	\$ -

TABLE IV

FY 2017 Projected Budget Compared to FY 2018 Approved - Change in Ending Fund Balance

	FY 2017 Projected Ending Fund Balance	FY 2018 Approved Ending Fund Balance	Change in Fund Balance	% Change
Water Operating Fund	\$ 9,015,000	\$ 9,015,000	\$ -	0.0%
Sewer Operating Fund	120,030,000	108,450,000	(11,580,000)	-9.6
General Bond Debt Service Fund	50,435,000	45,959,185	(4,475,815)	-8.9
Capital Fund	-	-	-	-
	<u>\$ 179,480,000</u>	<u>\$ 163,424,185</u>	<u>\$ (16,055,815)</u>	<u>-8.9%</u>

Explanation of Changes in Fund Balance

Water and Sewer Operating Funds – The FY 2018 approved ending fund balances are lower than the projected FY 2017 ending fund balances for the combined Water and Sewer Operating Funds. A majority of the change is due to planned use of fund balance to finance the fifth year of the IT Strategic Plan.

General Bond Debt Service Fund – The FY 2018 approved ending fund balance is 8.9% lower than the projected FY 2017 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'18 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. The Commission's 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'18 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'18 it is projected that an average of 207.2 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 use 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 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'18 Approved Budget.

- Forecast FY'18 water production conservatively at 164.0 million gallons per day.
- Propose a 3.5 percent average increase in water and sewer rates for FY'18.
- Continue to address the WSSC's aging infrastructure by proposing the following:
 - ▶ Rehabilitation of 55 miles (290,400 feet) of small diameter and 4 miles (21,120 feet) of large water diameter mains.
 - ▶ Inspection and repair of 18 miles (95,040 feet) of Prestressed Concrete Cylinder Pipe (PCCP).
 - ▶ Acoustical fiber optic monitoring of 99 miles (522,720 feet) of PCCP.
 - ▶ Continuation of the Trunk Sewer Reconstruction Program.
- Ensure adequate funding for regulatory compliance requirements.
- Fund the implementation of the Information Technology Strategic Plan to include a new Customer Care Billing system.
- Fund the annual required contribution for other post-employment benefits in accordance with Governmental Accounting Standards Board Statement No. 45.
- Offset \$7.7 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'18 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.

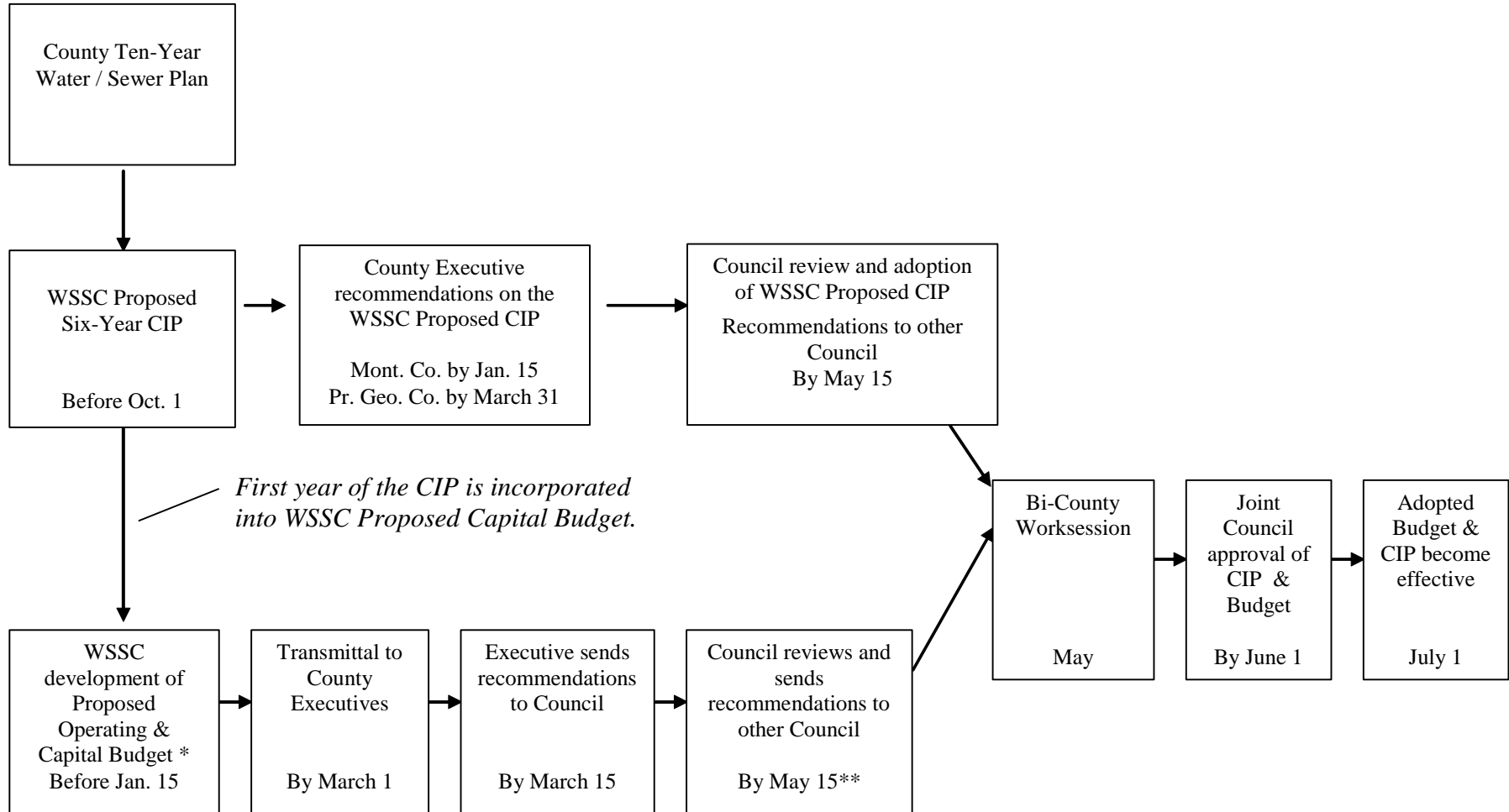
Preparation of the proposed Operating Budget requires integrating several other planning efforts with the budget formulation process. The annual spending affordability review, undertaken jointly with Montgomery and Prince George's Counties, uses a six-year financial model to examine the impacts and affordability 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, which guide development activity within the Counties, 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'18 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)

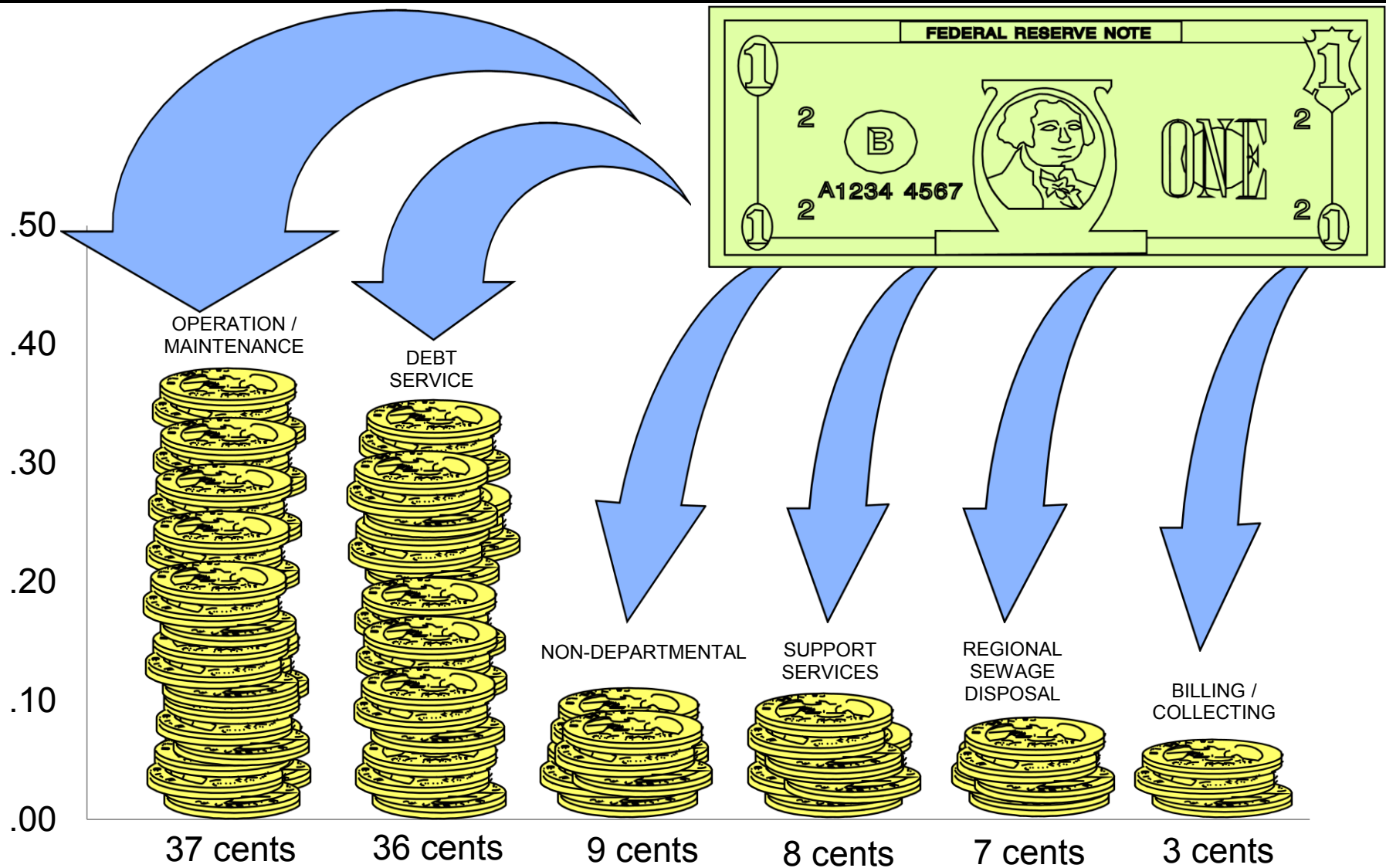
VI. KEY PROVISIONS OF THE FY'18 BUDGET

The total approved budget for all funds is approximately \$1.4 billion - \$685.5 million in capital and \$741.2 million in operating. A 3.5 percent average increase in water and sewer rates is required to fund water and sewer operating expenses. The budget provides for:

- Implementing the first year of the FYs 2018-2023 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 207.2 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 \$271.2 million - of which \$257.1 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 and Potomac WFP Consent Decrees;
- Answering 95 percent of all customer billing calls received;
- Maintaining and fueling 970 vehicles, maintaining approximately 770 pieces of large field equipment, and operating 6 repair facilities;
- Funding employee salary enhancements in a manner coordinated with the Counties, and continuing other benefits.

FY'18 APPROVED 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

- **Deliver Excellent Customer Service:** Deliver an excellent customer experience by providing timely, high-quality products and services to internal and external customers.
- **Enhance Stakeholder Relationships:** Enhance relationships with our community, elected officials, regulators, and business partners through proactive communication, financial stewardship, and excellent service.
- **Improve Infrastructure:** Plan, invest in, and renew our infrastructure to provide future generations with a sustainable system, through innovative, cost-effective technology and world class asset management.
- **Achieve Business Process Excellence and Maintain Financial Stability:** Achieve financial stability through an improved rate structure and improved business processes that drive performance and obtain cost-effective business outcomes.
- **Inspire Employee Engagement:** Inspire and motivate employees by making WSSC a great place to work, thrive and serve.

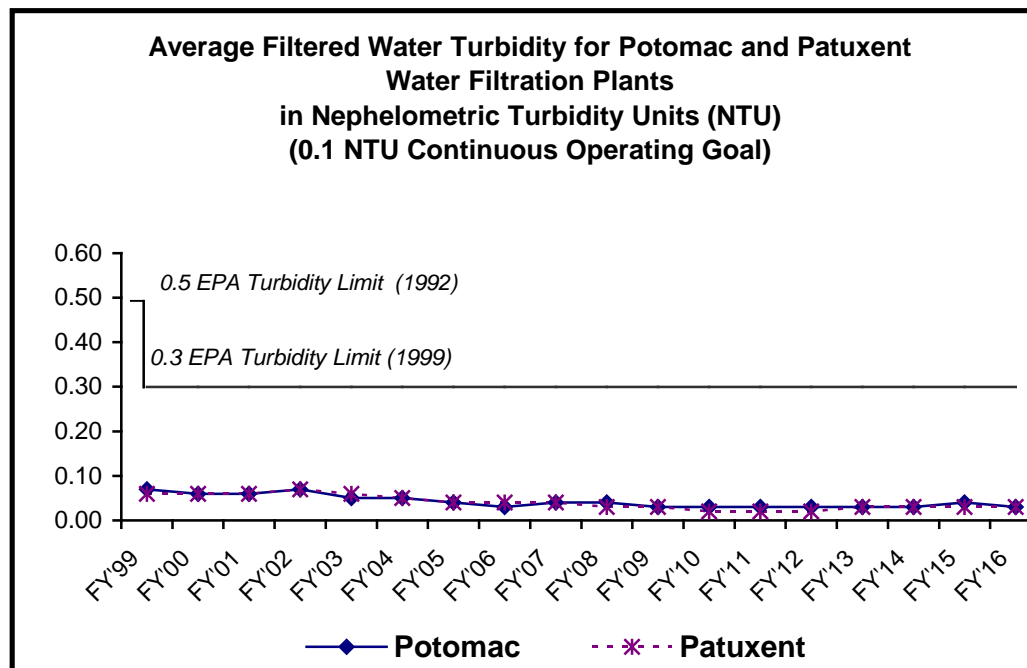
PERFORMANCE OF KEY SERVICES

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 requirement established by the U.S. Environmental Protection Agency (EPA) in accordance with the Safe Drinking Water Act.

In addition to traditional approaches to ensure drinking water quality, the WSSC continues to place particular emphasis on addressing low-level contaminants such as disinfection byproducts, and maintaining low levels of turbidity (suspended sediment) to ensure public health protection. 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.

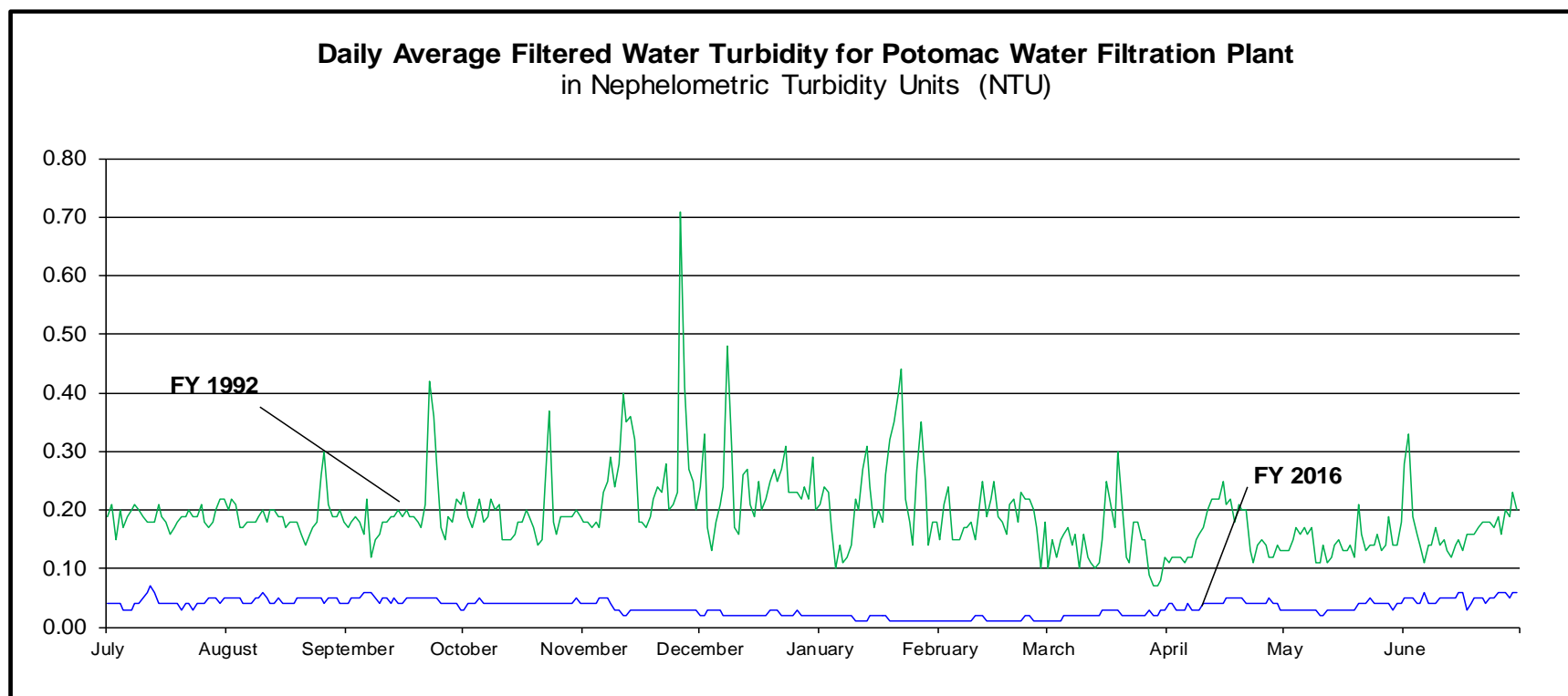
The WSSC's continued participation in the Partnership for Safe Water Program is indicative of the Commission's commitment. A primary goal of this program is to maintain filtered water turbidity well below EPA established limits to effectively guard against *Cryptosporidium*. Although the WSSC was already 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'99 through FY'16. The EPA reduced the turbidity limit to 0.3 NTU in 1999, still well above the levels being achieved by the WSSC. 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)

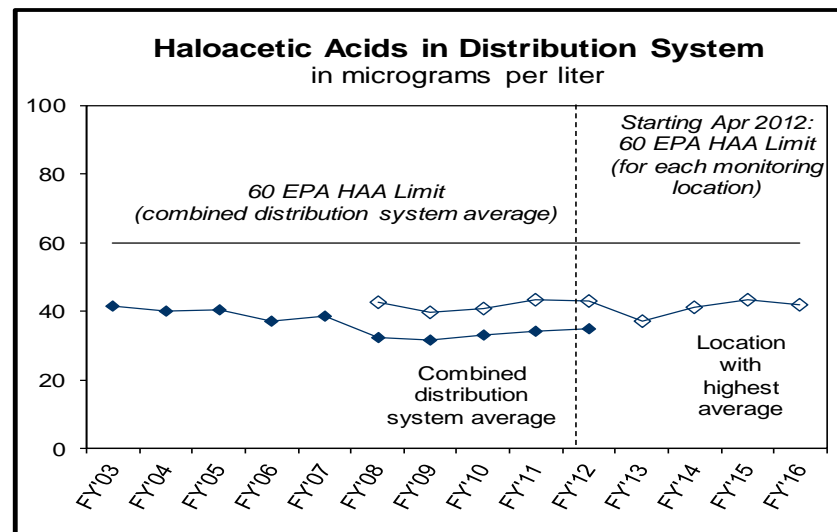
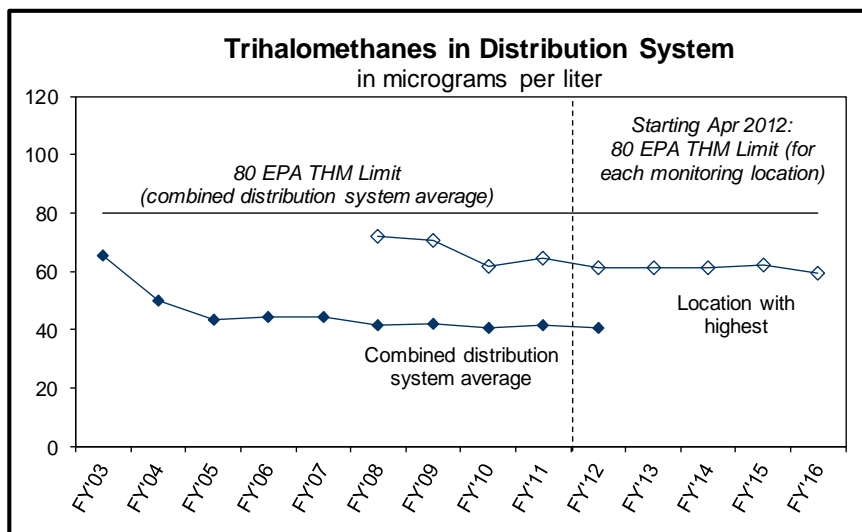
As shown in the graph below for the Potomac Water Filtration Plant, the FY'16 magnitudes of the daily peaks associated with variable raw water quality were substantially less than FY'92 peak levels. This measure is of particular importance in ensuring the reliability of the *Cryptosporidium* barrier. 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)

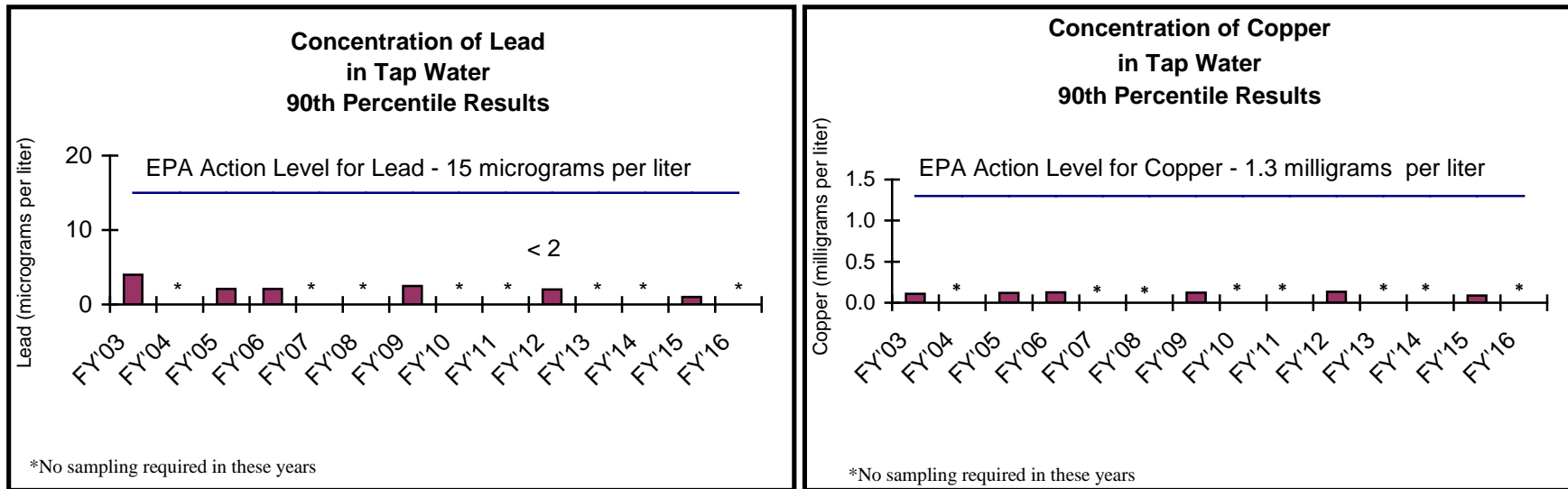
The WSSC has also been aggressively pursuing enhanced coagulation (optimization of coagulant doses and pH levels to improve total organic carbon removal) to enhance disinfection byproduct precursor removal, thereby lessening the formation of potential carcinogens in the finished water. Effective January 2001, the EPA standard for trihalomethanes (THMs) is 80 micrograms or lower of total THMs (TTHM) per liter in finished water. At the same time, the EPA also established a maximum finished water contaminant level for haloacetic acids (HAAs) of 60 micrograms of five HAAs (HAA5) per liter. As shown in the figures below, the WSSC is meeting the THM and HAA standards with the help of its enhanced coagulation initiatives. The Stage 2 Disinfection Byproducts (DBP) rule took effect in FY'12, and builds upon earlier rules to improve 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 is shown below as 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

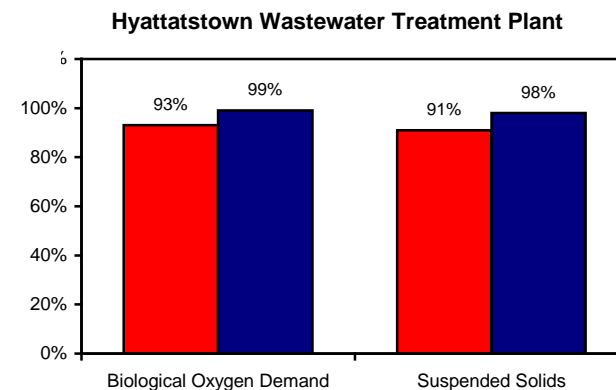
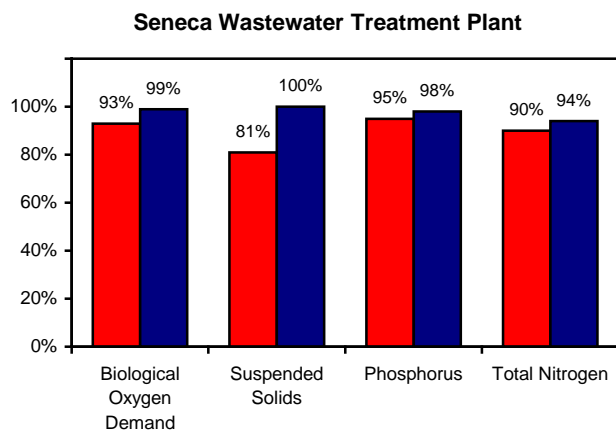
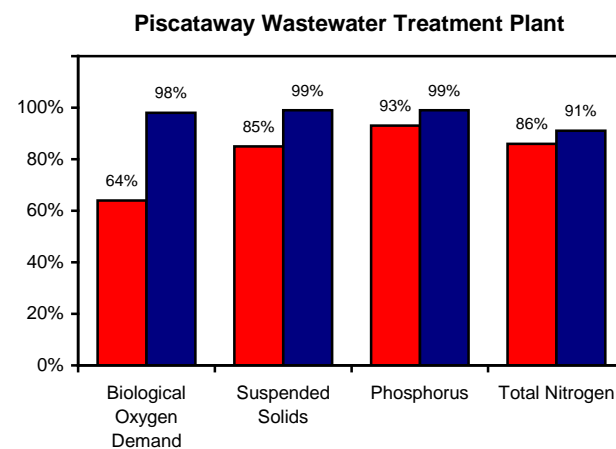
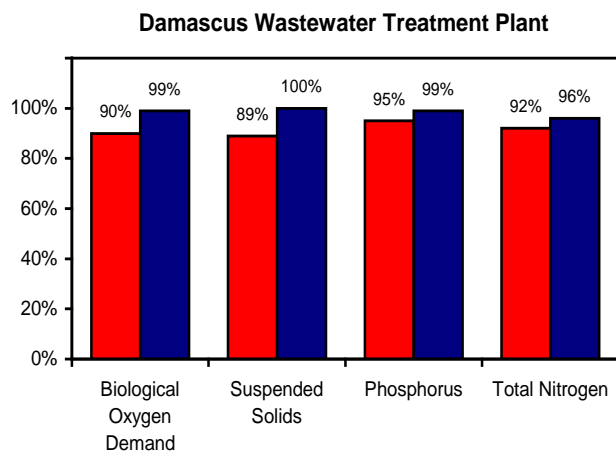
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Wastewater Treatment

The following graphs present actual FY'16 plant performance for the WSSC's wastewater treatment plants, 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'18, the Production Team will continue to pursue its goal of meeting or surpassing the permit requirements for each plant.

Wastewater Treatment Plant Performance – FY'16 Percentage Removal of Substances Regulated by Discharge Permits

■ Permit Requirement ■ Plant Performance



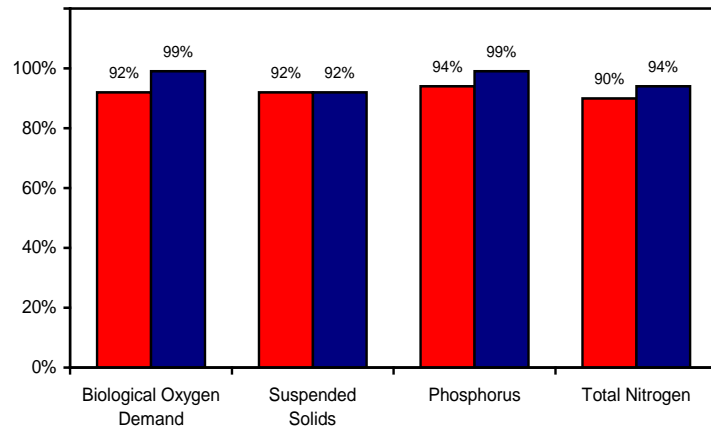
PERFORMANCE OF KEY SERVICES

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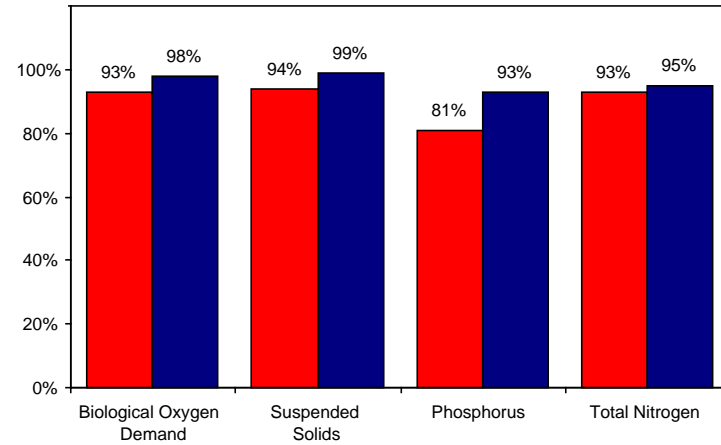
Wastewater Treatment Plant Performance – FY'16 Percentage Removal of Substances Regulated by Discharge Permits

■ Permit Requirement ■ Plant Performance

Parkway Wastewater Treatment Plant



Western Branch Wastewater Treatment Plant



PERFORMANCE OF KEY SERVICES

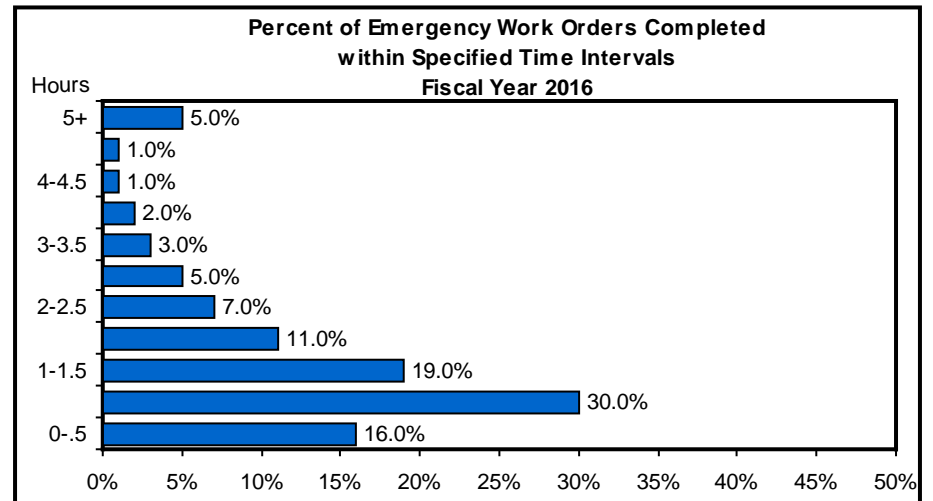
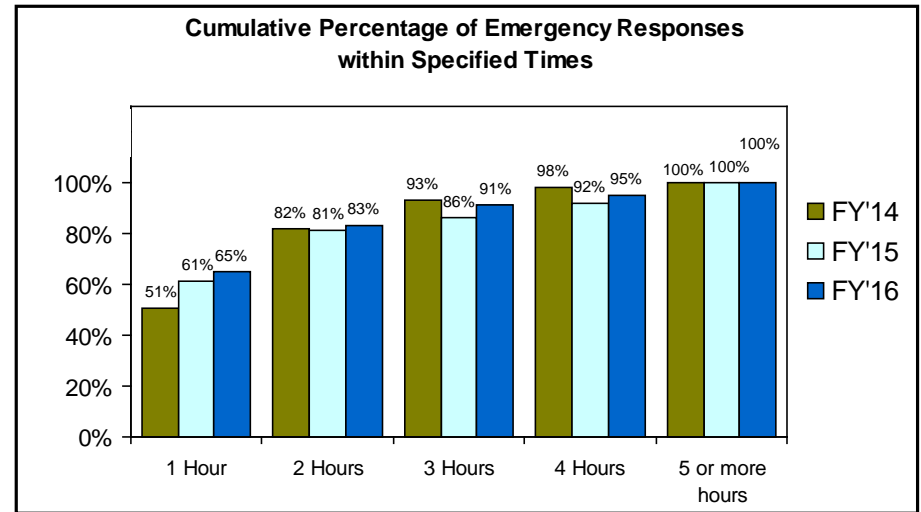
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Emergency Response

During FY'16, 32,579 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'16 we responded to 65% of our emergency calls in less than 1 hour, and to 83% in less than our 2-hour goal. The average response time in FY'16 was 1.3 hours, as compared to 1.5 hours in FY'15. The percentage of calls responded to within our 2-hour goal improved slightly, primarily due to a 13% decrease in emergency work orders in FY 2016. 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'16. Most emergency work orders required less than 2.0 hours to complete.

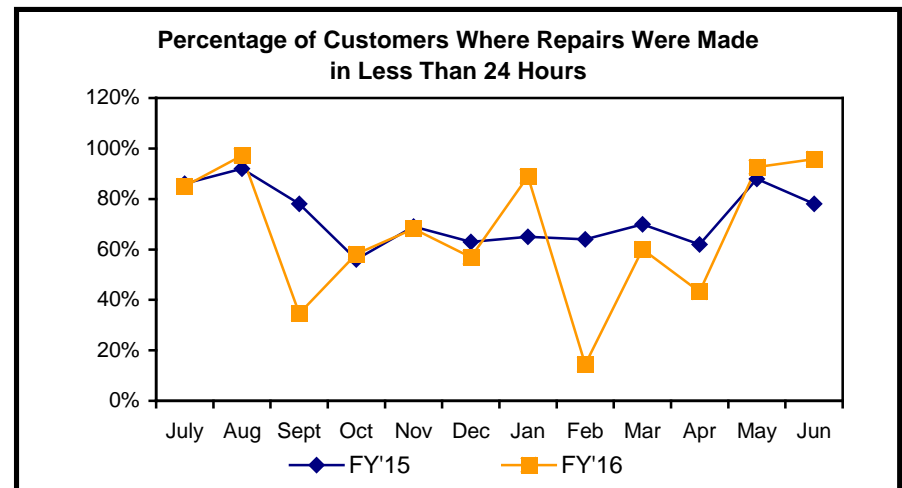
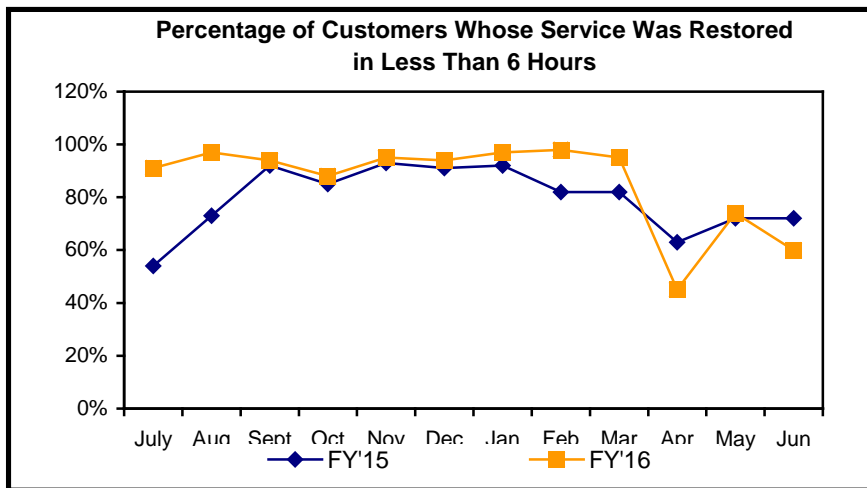


PERFORMANCE OF KEY SERVICES

(Continued)

Restoration of Water Service

The WSSC's objective is to restore normal service to our customers within 24 hours from the time the Commission are notified of an emergency, and to limit the actual time a customer is without water service to less than 6 hours. During FY'16, 21,840 customers, or approximately 5% of the WSSC's customers, 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 FY'16, the average time customers were without water service was 4.1 hours, with 86% 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. There was a significant dip in the percentage in February, due to a cold snap and increased breaks, and smaller temperature dips in September and April that also impacted the percentage. The FY'16 average time from notification of a problem to restoration of normal service was 17.3 hours for the year FY'16, with 72.5% of customers having normal water service restored in less than the 24-hour goal.



PERFORMANCE OF KEY SERVICES

(Continued)

Discolored Water

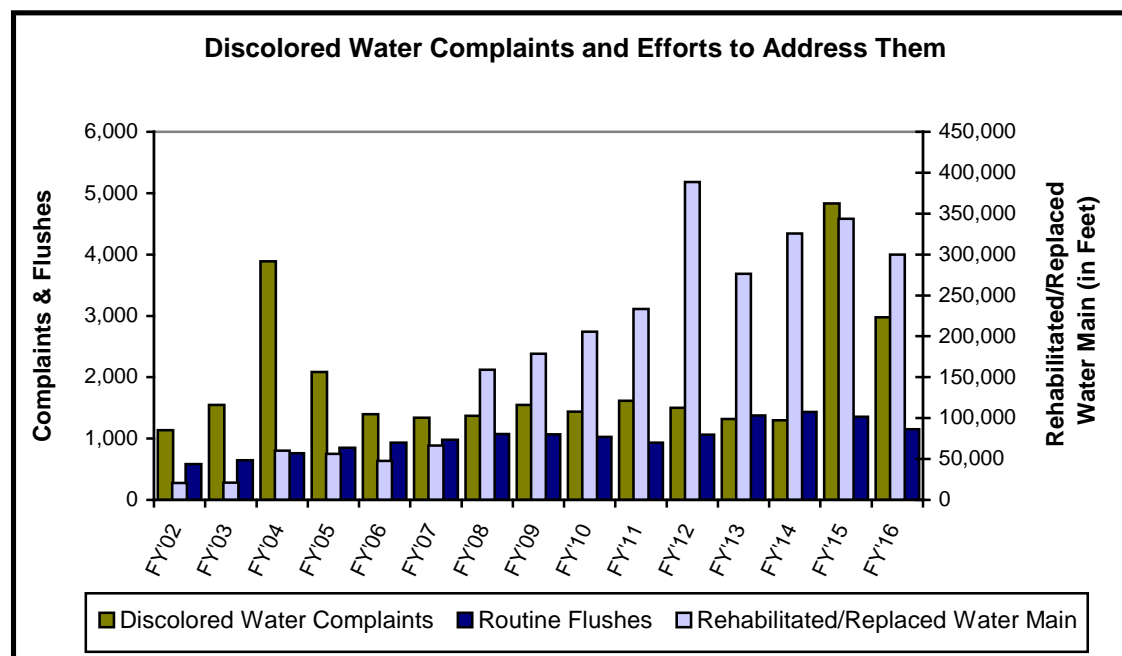
Unlined cast iron pipe eventually leads to discolored water in the distribution system as the water chemically reacts with the pipe to form iron oxides (rust) and accumulates deposits of iron and manganese that can become dislodged. This is a serious inconvenience for the affected customers, limiting 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

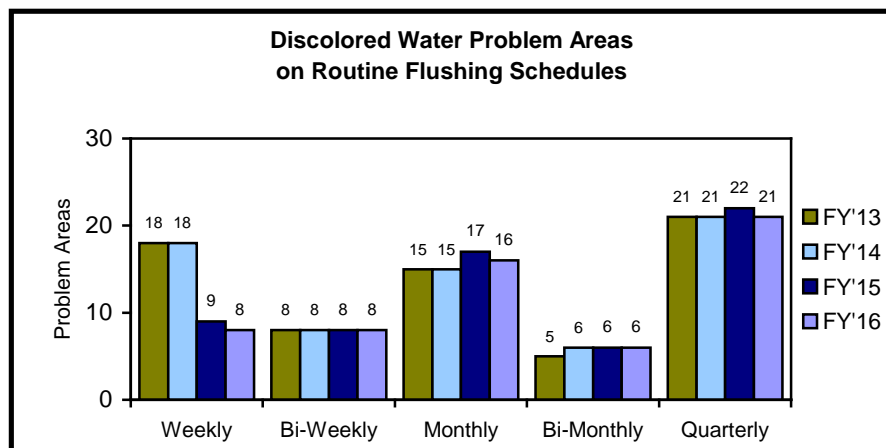
complaints increased as a result of the volume of water main breaks associated with winter weather and service changes resulting from the Patuxent Water Filtration Plant Upgrade. Again in FY'15 and FY'16, the number of discolored water complaints was substantial. An investigation of this issue revealed that there were significant increases in sodium and manganese coming from the Potomac River in February and March of those years. 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 increased manganese in the ground water reached the river and the intake at the Potomac Plant. The presence of high levels of manganese caused discoloration. The presence of sodium aggravated the corrosion of WSSC's aging water mains and contributed to increased discolored water complaints. The Commission is now treating water for manganese reduction, which should reduce discolored water complaints in the future.

The focus on rehabilitation and replacement efforts has been increased 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 56.7 miles of small and large diameter water mains during FY'16.



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'13. 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. Areas with weekly flushings have been reduced in number over the past couple years.

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, 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 recleaned 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'16, the Commission was successful in preventing a second backup in 100% 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

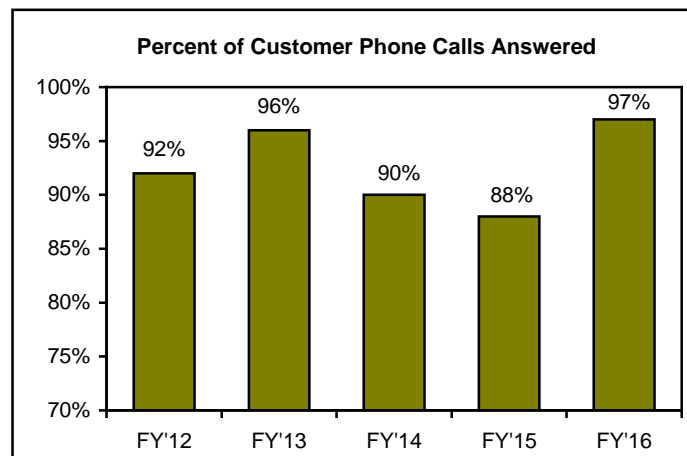
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Sewer House Connection Renewal

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'16, 389 house connections met the criteria for renewal, versus 307 at the beginning of FY'15. During FY'16, the Commission replaced 966 connections, versus 682 connections in FY'15.

Customer Calls for Maintenance Assistance

During FY'16, the Commission answered 97% 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 DEPARTMENT

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

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

Objective	Outcome Measure	FY 2015		FY 2016		FY 2017	FY 2018
		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.	95%	96%	100%	94%	100%	95%
Complete Phase II of the SEP process within 8 weeks.	Percentage of Phase II plan review packages processed in 8 weeks or less.	100%	100%	100%	100%	100%	100%

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

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

Objective	Outcome Measure	FY 2015		FY 2016		FY 2017	FY 2018
		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%	100%	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.

Division(s): Planning
Strategic Priority: Improve Infrastructure

Objective	Outcome Measure	FY 2015		FY 2016		FY 2017	FY 2018
		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).	1	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.

Division(s): Facility Design & Construction
Strategic Priority: Improve Infrastructure

Objective	Outcome Measure	FY 2015		FY 2016		FY 2017	FY 2018
		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.	7	11	5	13	5	7
Complete facility construction as scheduled in the CIP.	Number of construction phase projects completed vs. planned.	6	8	6	8	8	4

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

Division(s): Pipeline Design
Pipeline Construction
Strategic Priority: Improve Infrastructure

Objective	Outcome Measure	FY 2015		FY 2016		FY 2017	FY 2018
		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.	60	60	57	59	69	67
Design the number of large service meter vaults as planned.	Number of meter vaults designed vs. planned.	45	45	45	56	45	45
Design the number of miles for the Sewer Reconstruction Programs as planned.	Miles of sewer mains designed vs. planned.	29	45	10	49	20*	20
Design the number of sewer manholes as planned.	Number of sewer manholes designed vs. planned.	183	1,186	231	1,643	29	300
Replace the number of miles for the Water Reconstruction Program as planned.	Miles of water mains replaced vs. planned.	43	53	43	47	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.	56	39	56	57	55	55

* Effective 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.

Division(s): Process Control
Strategic Priority: Improve Infrastructure

Objective	Outcome Measure	FY 2015		FY 2016		FY 2017	FY 2018
		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	2
Upgrade or install new Uninterruptable Power Supply (UPS) systems to improve electrical reliability for the PLC Systems.	Number of UPS upgraded vs. planned.	3	3	3	3	3	2

Goal: Ensure Significant Industrial Users' compliance with EPA regulatory requirements.

Division(s): Regulatory Services
Strategic Priority: Deliver Excellent Customer Service

Objective	Outcome Measure	FY 2015		FY 2016		FY 2017	FY 2018
		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	26	25	44	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	858	850	1016	850	850

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(Continued)

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

Division(s): Development Services
Regulatory Services

Strategic Priority: Improve Infrastructure

Objective	Outcome Measure	FY 2015		FY 2016		FY 2017	FY 2018
		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.	100%	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%	100.00%

*Transferred in FY'16 from Development Services to Regulatory Services

Goal: Comply with the FOG provisions of the Sanitary Sewer Overflow Consent Decree.

Division(s): Regulatory Services

Strategic Priority: Deliver Excellent Customer Service

Objective	Outcome Measure	FY 2015		FY 2016		FY 2017	FY 2018
		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.

Division(s): Pipeline Construction

Strategic Priority: Deliver Excellent Customer Service

Objective	Outcome Measure	FY 2015		FY 2016		FY 2017	FY 2018
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
On State highways, the paving contractor shall complete paving repairs within 30 working days.	Percentage of paving repairs that are completed within 30 working days.	80%	56%	80%	49%	70%	70%
On all other roadways, sidewalks, driveways, curbs, and gutters, the contractor shall complete paving repairs within 35 working days.	Percentage of paving repairs that are completed within 35 working days.	90%	79%	80%	72%	85%	80%

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(Continued)

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

Division(s): Pipeline Construction
Strategic Priority: Achieve Process Excellence and Maintain Financial Stability

Objective	Outcome Measure	FY 2015		FY 2016		FY 2017	FY 2018
		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.	0.0%	2.5%	0.0%	4.0%	1.0%	1.0%

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

Division(s): Engineering & Environmental
Strategic Priority: Improve Infrastructure

Objective	Outcome Measure	FY 2015		FY 2016		FY 2017	FY 2018
		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	485	300	442	300	300

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

Division(s): Engineering & Environmental
Strategic Priority: Deliver Excellent Customer Service

Objective	Outcome Measure	FY 2015		FY 2016		FY 2017	FY 2018
		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%	100%	100%	100%	100%	100%

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(Continued)

PRODUCTION DEPARTMENT

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

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

Objective	Outcome Measure	FY 2015		FY 2016		FY 2017	FY 2018
		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).	<64.0	61.2	<64.0	61.2	<64.0	<64.0

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

Division(s): Piscataway, Western Branch, Parkway, Seneca/Damascus/Hyattstown
Strategic Priority: Deliver Excellent Customer Service

Objective	Outcome Measure	FY 2015		FY 2016		FY 2017	FY 2018
		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	0	4	0	2	2

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(Continued)

GENERAL SERVICES DEPARTMENT

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

Division(s): Fleet Services
Strategic Priority: Inspire Employee Engagement

Objective	Outcome Measure	FY 2015		FY 2016		FY 2017	FY 2018
		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	75	60	80	75	75

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

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

Objective	Outcome Measure	FY 2015		FY 2016		FY 2017	FY 2018
		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	2.4	2.0	4.0	2.0	4.0
	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%	98.7%	95.0%	98.7%
	Accuracy of vehicle parts inventory (from established cycle counts).	99.9%	98.0%	99.9%	99.9%	99.0%	99.9%

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

Division(s): Police and Homeland Security
Strategic Priority: Deliver Excellent Customer Service

Objective	Outcome Measure	FY 2015		FY 2016		FY 2017	FY 2018
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
Limit the occurrence of crime on WSSC property to ≤ 250 incidents.	Number of crimes reported on WSSC property.	200	190	200	165	205	150

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(Continued)

FINANCE DEPARTMENT

Goal: Minimize borrowing costs.

Division(s): Finance Office
Strategic Priority: Achieve Business Process Excellence and Maintain Financial Stability

Objective	Outcome Measure	FY 2015		FY 2016		FY 2017	FY 2018
		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	49 basis points	≥25 basis points	76 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.

Division(s): Retirement
Strategic Priority: Achieve Business Process Excellence and Maintain Financial Stability

Objective	Outcome Measure	FY 2015		FY 2016		FY 2017	FY 2018
		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	3 basis points above	Even	5 basis points above	Even	4 basis points above
Meet or exceed the 7% 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.	5.7%	6.6%	6.4%	5.1%	5.5%	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.

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

Objective	Outcome Measure	FY 2015		FY 2016		FY 2017	FY 2018
		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.

Division(s): Accounting
Strategic Priority: Achieve Business Process Excellence and Maintain Financial Stability

Objective	Outcome Measure	FY 2015		FY 2016		FY 2017	FY 2018
		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 year.	Percentage of financial reports prepared on time.	100%	100%	100%	91%	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

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(Continued)

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

Division(s): Retirement, Accounting
Strategic Priority: Achieve Business Process Excellence and Maintain Financial Stability

Objective	Outcome Measure	FY 2015		FY 2016		FY 2017	FY 2018
		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

Goal: Process financial transactions quickly and accurately.

Division(s): Revenue, Disbursements
Strategic Priority: Achieve Business Process Excellence and Maintain Financial Stability

Objective	Outcome Measure	FY 2015		FY 2016		FY 2017	FY 2018
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
Utilize at least 95.0% of available vendor discounts.	Percentage of available vendor discounts taken.	98.5%	95.2%	95.0%	86.0%	96.0%	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%	99.7%	99.5%	99.8%	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%

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(Continued)

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

Division(s): Budget
Strategic Priority: Achieve Business Process Excellence and Maintain Financial Stability

Objective	Outcome Measure	FY 2015		FY 2016		FY 2017	FY 2018
		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.	\$125.4/ 21.4%	\$139.5/ 24.8%	\$110.1/ 18.9%	\$149.9/ 27.6%	\$105.6/ 16.7%	\$117.5/ 17.4%

Goal: Produce a sound, affordable capital spending program.

Division(s): Budget
Strategic Priority: Achieve Business Process Excellence and Maintain Financial Stability

Objective	Outcome Measure	FY 2015		FY 2016		FY 2017	FY 2018
		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.	33.5%	35.5%	34.0%	34.3%	34.0%	35.4%

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(Continued)

Goal: Accurately budget Commission revenues and expenditures.

Division(s): Budget
Strategic Priority: Achieve Business Process Excellence and Maintain Financial Stability

Objective	Outcome Measure	FY 2015		FY 2016		FY 2017	FY 2018
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
Accurately budget annual water production.	Difference (in millions of gallons per day) between actual and budgeted water production.	0.0	5.1	0.0	-1.8	0.0	0.0
	Percentage difference between actual and budgeted water production.	0.0%	3.0%	0.0%	1.1%	0.0%	0.0%
Accurately budget revenues from water and sewer use charges.	Difference between actual and budgeted revenues from water and sewer use charges (\$ millions).	\$0.0	-\$23.9	\$0.0	-\$40.3	\$0.0	\$0.0
	Percentage difference between actual and budgeted water and sewer use charges.	0.0%	-4.1%	0.0%	-6.9%	0.0%	0.0%
Accurately budget non-debt service water and sewer operating expenditures.	Difference (\$ millions) between actual and budgeted water and sewer operating expenditures (excluding debt service).	\$0.0	-\$46.0	\$0.0	-\$42.3	\$0.0	\$0.0
	Percentage difference between actual and budgeted water and sewer operating expenditures (excluding debt service).	0.0%	-10.2%	0.0%	-9.4%	0.0%	0.0%

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

Division(s): Budget
Strategic Priority: Achieve Business Process Excellence and Maintain Financial Stability

Objective	Outcome Measure	FY 2015		FY 2016		FY 2017	FY 2018
		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 DEPARTMENT

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

Division(s): Meter Services
Strategic Priority: Achieve Business Process Excellence and Maintain Financial Sustainability

Objective	Outcome Measure	FY 2015		FY 2016		FY 2017	FY 2018
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
Accurately record and report all meter readings.	Percentage of meter readings reported and recorded accurately.	99.9%	81.0%	99.9%	99.9%	85.0%	99.9%

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

Division(s): Utility Services North, West, Central, South
Strategic Priority: Achieve Business Process Excellence and Maintain Financial Sustainability

Objective	Outcome Measure	FY 2015		FY 2016		FY 2017	FY 2018
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
Reduce service interruptions due to water main breaks.	Number of breaks per 100 miles of water main.	33.0	49.7	33.0	26.2	50.0	35.0
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%	100%	100%	77%	100%	80%

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

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

Objective	Outcome Measure	FY 2015		FY 2016		FY 2017	FY 2018
		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.	95.0%	81.0%	85.0%	83.0%	85.0%	95.0%
	Average response time to emergency calls (in hours).	1.2	1.5	1.2	1.3	1.2	1.2

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(Continued)

Goal: Minimize inconvenience caused by disruptions in service.

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

Strategic Priority: Achieve Business Process Excellence and Maintain Financial Sustainability

Objective	Outcome Measure	FY 2015		FY 2016		FY 2017	FY 2018
		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%	80.0%	80.0%	72.5%	75.0%	75.0%
	Average time from notification of system problem to restoration of water service (in hours).	14.0	18.6	16.0	17.3	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%	86.1%	90.0%	86.0%	90.0%	90.0%
	Average time without water (in hours).	3.4	4.1	4.0	4.1	4.0	4.0
Reduce the number of discolored water complaints.	Number of discolored water complaints.	1,350	4,252	1,300	2,978	2,500	2,500
	Areas with chronic discolored water problems which are on a routine flushing schedule.	52	58	50	59	60	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%	99.2%	90.0%	100.0%	95.0%	95.0%

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

Division(s): Pipeline Infrastructure
Strategic Priority: Improve Infrastructure

Objective	Outcome Measure	FY 2015		FY 2016		FY 2017	FY 2018
		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	11.5	12.0	9.8	12.0	12.0

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(Continued)

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

Division(s): Water/Wastewater Systems Assessment
Strategic Priority: Improve Infrastructure

Objective	Outcome Measure	FY 2015		FY 2016		FY 2017	FY 2018
		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.	320	246	300	242	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	3.0	5.0	0.7	5.0	5.0

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

Division(s): Water/Wastewater Systems Assessment
Strategic Priority: Improve Infrastructure

Objective	Outcome Measure	FY 2015		FY 2016		FY 2017	FY 2018
		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.	18.0*	19.8	20.0	17.6	18.0	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*	4.9	6.0	2.9	6.0	6.0

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

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(Continued)

CUSTOMER SERVICE DEPARTMENT

Goal: Promptly and courteously answer all telephone calls.

Division(s): Customer Care
Strategic Priority: Deliver Excellent Customer Service

Objective	Outcome Measure	FY 2015		FY 2016		FY 2017	FY 2018
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
Attain a 95% success rate for answering non-emergency calls.	Percentage of non-emergency calls answered.	90.0%	88.0%	90.0%	92.0%	90.0%	95.0%
Maintain a 95% success rate for answering all emergency calls.	Percentage of emergency calls answered.	95.0%	88.0%	96.0%	97.0%	90.0%	95.0%

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

Division(s): Billing & Revenue Protection
Strategic Priority: Deliver Excellent Customer Service

Objective	Outcome Measure	FY 2015		FY 2016		FY 2017	FY 2018
		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%	96.2%	96.0%	91.0%	96.0%	95.0%
Collect all billed water and sewer use charges on a timely basis.	Percentage of billed water and sewer accounts considered delinquent.	10.0%	11.0%	10.0%	6.0%	11.0%	5.0%

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

Division(s): Customer Care
Strategic Priority: Deliver Excellent Customer Service

Objective	Outcome Measure	FY 2015		FY 2016		FY 2017	FY 2018
		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.	90.0%	98.0%	80.0%	95.0%	95.0%	95.0%
Achieve 100% closure of open claims.	Percentage of claims closed.	100.0%	73.0%	80.0%	51.0%	80.0%	80.0%

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(Continued)

INFORMATION TECHNOLOGY DEPARTMENT

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

Division(s): Office of the CIO, IT Application & Development

Strategic Priority: Deliver Excellent Customer Service

Objective	Outcome Measure	FY 2015		FY 2016		FY 2017	FY 2018
		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%	86%	90%	87%	90%	90%
	Percentage of Enterprise Technology Initiatives implemented within budget.	90%	100%	90%	97%	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%	90%	75%	95%	75%	75%
	Percentage of IT projects implemented within budget.	90%	100%	75%	97%	75%	75%

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

Division(s): IT Infrastructure & Operations

Strategic Priority: Deliver Excellent Customer Service

Objective	Outcome Measure	FY 2015		FY 2016		FY 2017	FY 2018
		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.	90%	96%	92%	98%	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%	92%	98%	92%	92%
	Percentage of service requests delivered within 5 days.	90%	94%	92%	97%	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.

Division(s): IT Network Infrastructure and Data Center Operations

Strategic Priority: Deliver Excellent Customer Service

Objective	Outcome Measure	FY 2015		FY 2016		FY 2017	FY 2018
		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%	97%	100%
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%	99%	100%	99%	97%	100%

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(Continued)

STAFF OFFICES

Goal: Provide cost-effective internal audit services.

Office(s): Internal Audit
Strategic Priority: Achieve Process Excellence and Financial Stability

Objective	Outcome Measure	FY 2015		FY 2016		FY 2017	FY 2018
		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.	SDC: Total audit-based adjustment in Developer-requested reimbursements for CIP construction.	\$500,000	\$254,311	\$500,000	\$29,522	\$500,000	\$500,000
	Blue Plains: Total audit-based adjustment in Blue Plains O&M and Capital Indirect Billing.	\$1,000,000	\$1,318,207	\$1,000,000	N/A*	\$1,000,000	\$1,000,000

* Not Available

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

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

Objective	Outcome Measure	FY 2015		FY 2016		FY 2017	FY 2018
		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.

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

Objective	Outcome Measure	FY 2015		FY 2016		FY 2017	FY 2018
		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.

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

Objective	Outcome Measure	FY 2015		FY 2016		FY 2017	FY 2018
		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.	100%	100%	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.	100%	100%	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.	100%	100%	100%	100%	100%	100%

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(Continued)

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

Office(s): WSSC Stat Office
Strategic Priority: Deliver Excellent Customer Service

Objective	Outcome Measure	FY 2015		FY 2016		FY 2017	FY 2018
		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 Stat Office consulting services for achievement of outcomes.	25%	45%	25%	45%	25%	25%

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

Office(s): WSSC Stat Office
Strategic Priority: Deliver Excellent Customer Service

Objective	Outcome Measure	FY 2015		FY 2016		FY 2017	FY 2018
		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%

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(Continued)

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

Office(s): Communications & Community Relations Office

Strategic Priority: Enhance Stakeholder Relationships

Objective	Outcome Measure	FY 2015		FY 2016		FY 2017	FY 2018
		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)	1,300 Facebook/ 2,000 Twitter	1,441 Facebook/ 2,376 Twitter	2,000 Facebook/ 3,000 Twitter	1,800 Facebook/ 3,000 Twitter	3,000 Facebook/ 5,000 Twitter	3,500 Facebook/ 5,500 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.

Office(s): Communications & Community Relations Office

Strategic Priority: Enhance Stakeholder Relationships

Objective	Outcome Measure	FY 2015		FY 2016		FY 2017	FY 2018
		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.

Office(s): Communications & Community Relations Office

Strategic Priority: Enhance Stakeholder Relationships

Objective	Outcome Measure	FY 2015		FY 2016		FY 2017	FY 2018
		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	62	35	78	75	100
	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).	15	133	15	25	150	150
	Partner with outside agencies to plan/execute events (e.g. stream/road cleanups, water festival, and campfire).	9	15	9	12	20	20
	Number of community outreach events conducted (e.g. H2O Summit, Children's Water Festival, tree plantings, and invasive weed removals).	25	26	25	30	30	35

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(Continued)

Goal: Disseminate accurate and timely information to WSSC employees.

Office(s): Communications & Community Relations Office

Strategic Priority: Inspire Employee Engagement

Objective	Outcome Measure	FY 2015		FY 2016		FY 2017	FY 2018
		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).						
	<i>Note:</i> As of FY'18 Fish Tales and #H20 People will be combined for quarterly publications.	12	9	12	4	12	4
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.

Office(s): Communications & Community Relations Office

Strategic Priority: Enhance Stakeholder Relationships

Objective	Outcome Measure	FY 2015		FY 2016		FY 2017	FY 2018
		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: Increase Small, Local and Minority Business Enterprise (SLMBE) participation in WSSC programs.

Office(s): Office of Supplier Diversity & Inclusion

Strategic Priority: Enhance Stakeholder Relationships

Objective	Outcome Measure	FY 2015		FY 2016		FY 2017	FY 2018
		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.	574/ 10.0%	723/ 26.0%	759/ 5.0%	667/ -7.7%	700/ 5.0%	735/ 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.	359/ 5.0%	275/ -20.1%	289/ 5.0%	268/ -2.5%	281/ 5.0%	295/ 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.	314/ 5.0%	400/ 29.9%	420/ 5.0%	274/ -31.5%	288/ 5.0%	302/ 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.	68/ 10.0%	22/ -8.3%	23/ 5.0%	19/ -13.6%	20/ 5.0%	21/ 5.0%

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(Continued)

Goal: Provide timely procurement services.

Office(s): Procurement Office
Strategic Priority: Achieve Business Process Excellence and Maintain Financial Stability

Objective	Outcome Measure	FY 2015		FY 2016		FY 2017	FY 2018
		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.)	30 days	45	36	30	40	45	30
Sole Source	60 days	60	62	45	90	60	45
Requests for Qualifications (RFQ) and Requests for Information (RFI)	60 days	60	55	45	150	60	60
Invitations for Bids (IFB)	120 days	140	197	120	150	120	90
Requests for Proposals (RFP)	180 days	180	189	150	271	150	120

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(Continued)

Goal: Continuous improvement of Human Resources operations.

Office(s): Human Resources Office
Strategic Priority: Inspire Employee Engagement

Objective	Outcome Measure	FY 2015		FY 2016		FY 2017	FY 2018
		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%	50%	100%	60%	100%	100%

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

Office(s): Human Resources Office
Strategic Priority: Inspire Employee Engagement

Objective	Outcome Measure	FY 2015		FY 2016		FY 2017	FY 2018
		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%

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

Office(s): Occupational Safety and Health
Strategic Priority: Inspire Employee Engagement

Objective	Outcome Measure	FY 2015		FY 2016		FY 2017	FY 2018
		Targeted	Actual	Targeted	Actual	Targeted	Targeted
Limit the occurrence of on-the-job injuries to WSSC employees to ≤ 130 and lost-time injuries to ≤ 65.	Number of injuries reported by WSSC:						
	On-the-job injuries	125	116	125	109	125	125
	Lost-time injuries	30	48	30	43	40	50
Reduce the number of on-the-job vehicular accidents involving WSSC employees to ≤ 150.	Number of vehicular accidents involving WSSC employees.	150	187	150	160	150	150

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(Continued)

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

Office(s): Occupational Safety and Health
Strategic Priority: Inspire Employee Engagement

Objective	Outcome Measure	FY 2015		FY 2016		FY 2017	FY 2018
		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	4.8	4.8	4.8	4.8	4.8

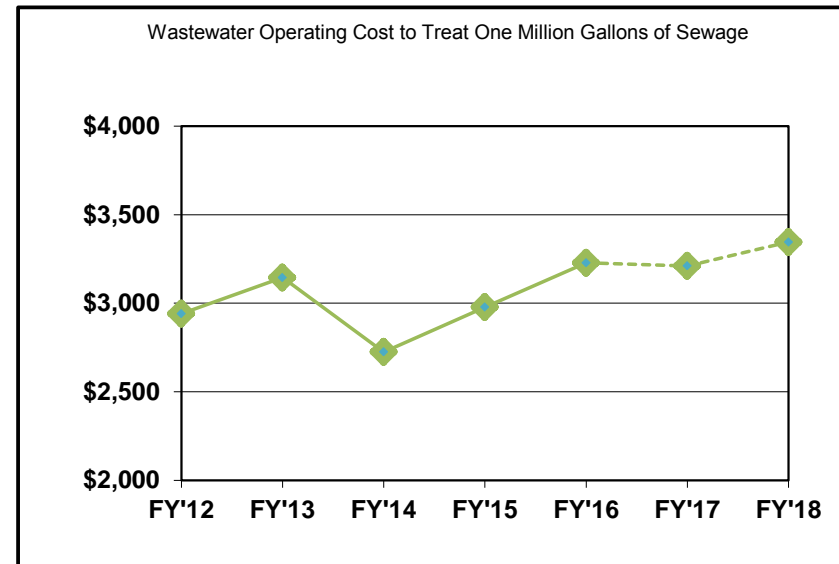
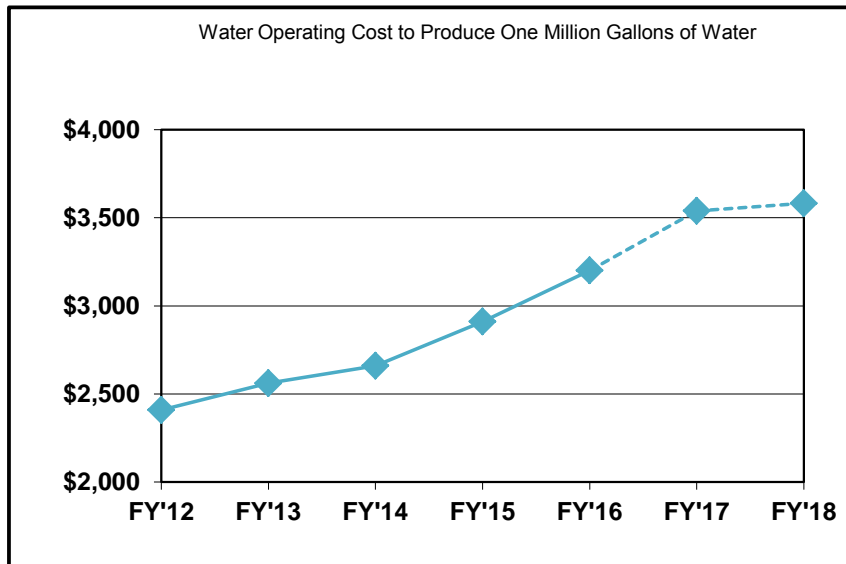
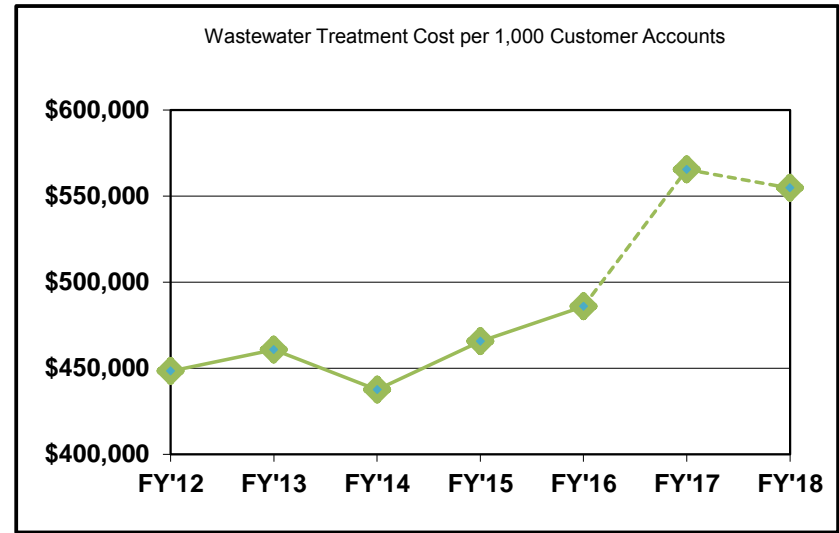
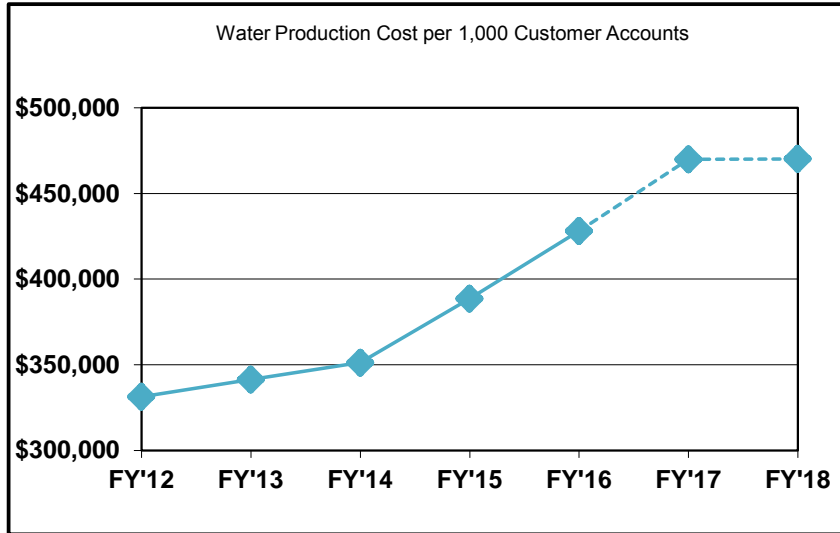
Goal: Maintain a high level of customer satisfaction by providing exceptional maintenance support.

Office(s): Claims
Strategic Priority: Deliver Excellent Customer Service

Objective	Outcome Measure	FY 2015		FY 2016		FY 2017	FY 2018
		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%	100.0%	100.0%	100.0%	100.0%

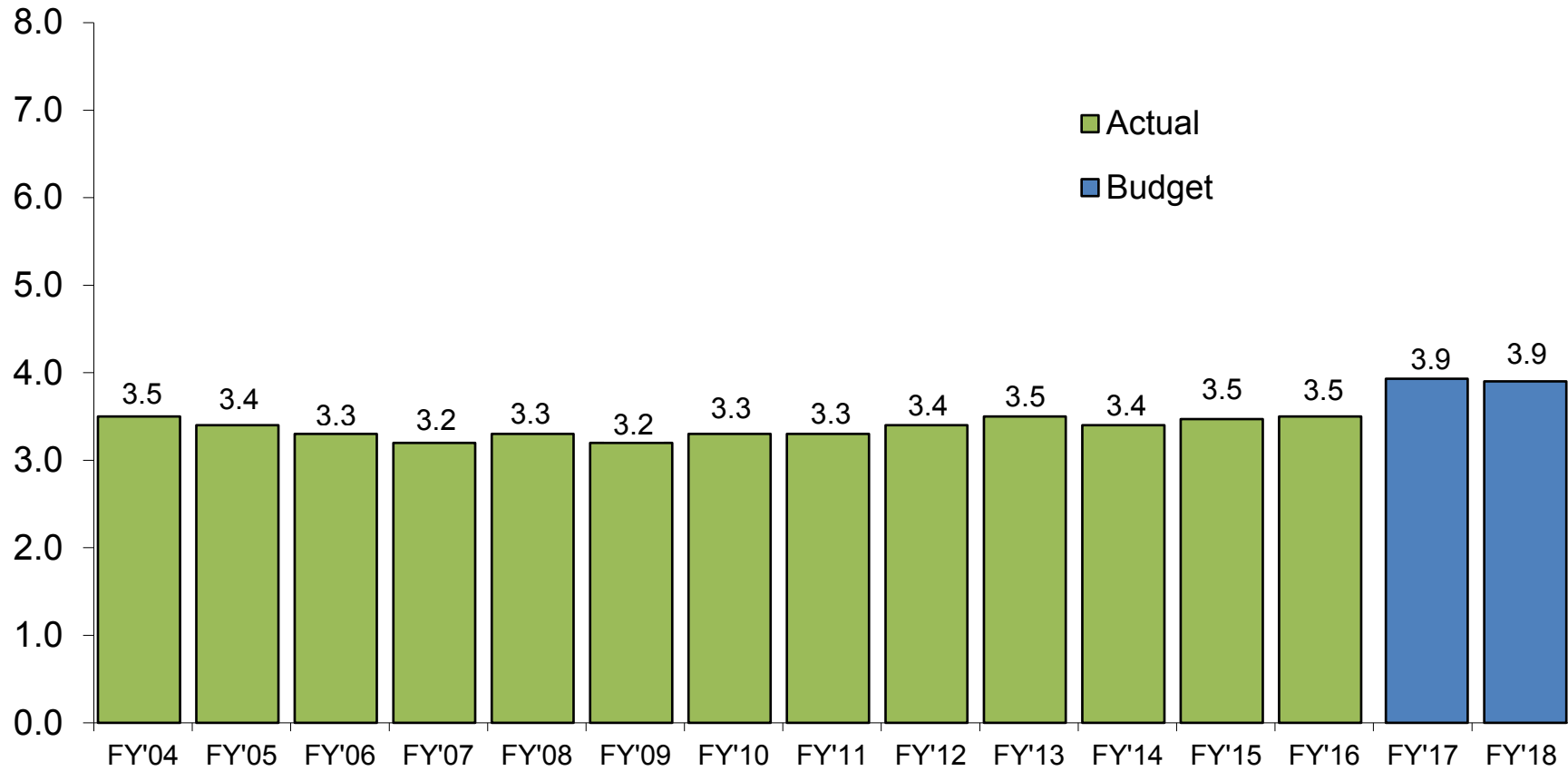
WSSC

OPERATING EFFICIENCY MEASURES

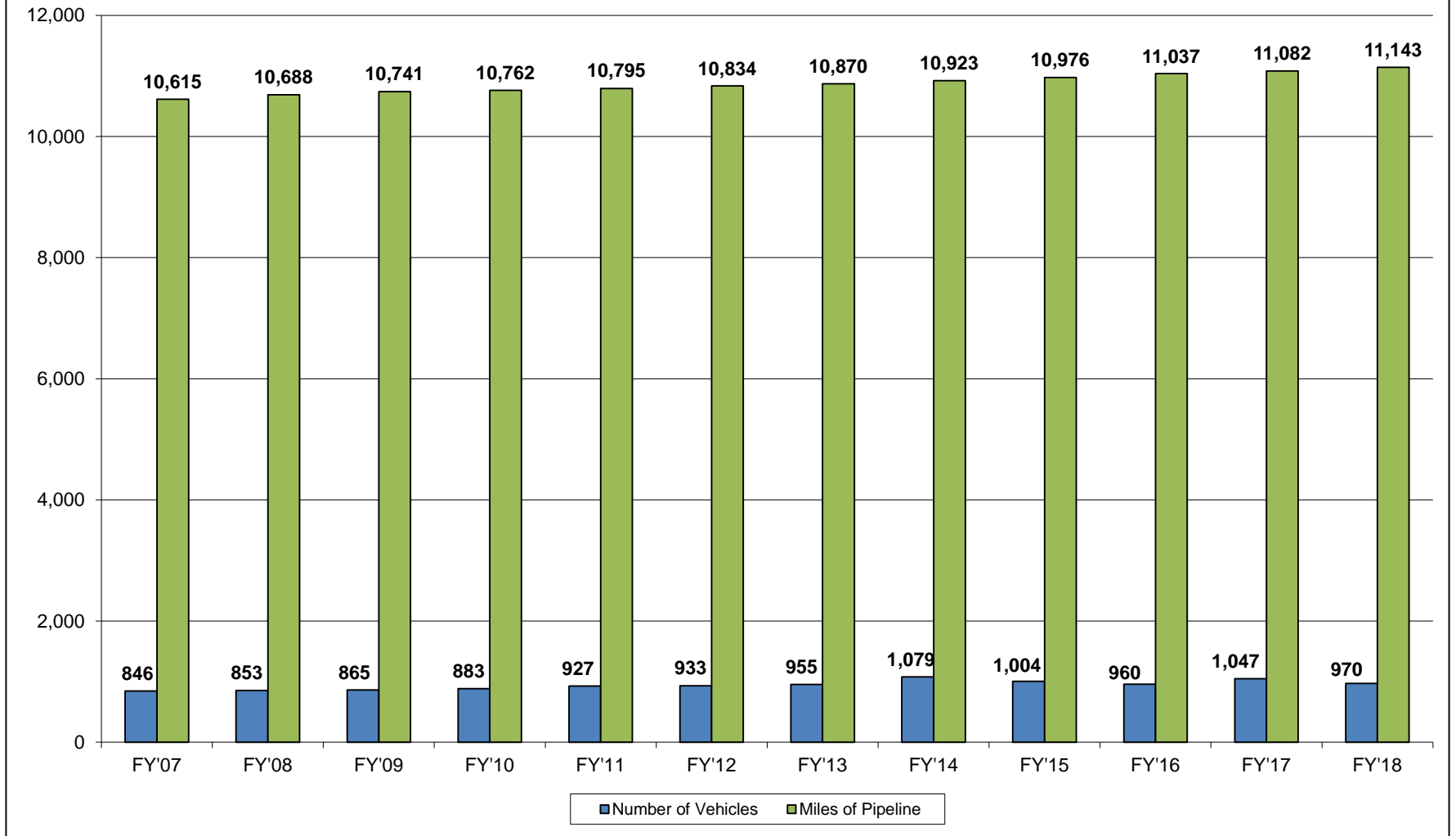


Note: FY'17 & FY'18 are budgeted, not actual.

WORKYEARS PER 1,000 CUSTOMER ACCOUNTS



VEHICLE FLEET SIZE VS. MILES OF PIPELINE MAINTAINED



Note: FY'17 and FY'18 are budgeted, not actual.

WSSC
COMPARATIVE STATISTICAL DATA

The following actual and budgeted data show the number of customer accounts increasing 2.8% and the population increasing 2.0% from FY'14 to FY'18, with the number of employee workyears increasing 16.1%. 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'14 through FY'18.

During the years 1997 through 2001, the WSSC significantly cut resources through a Competitive Action Plan. In 1997, actual workyears was 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 19.3% and 13.9%, respectively, from FY'97 to FY'18, while workyears will have decreased 11.9% for the same period. Workyears are used to 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.

	FY'14	FY'15	FY'16	FY'17	FY'18	FY'14-FY'18	FY'97-FY'18
	<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	1,530	1,546	1,587	1,776	1,776	16.1%	-11.9%
Population	1,757,000	1,765,000	1,774,000	1,783,000	1,792,000	2.0%	22.2%
Customer Accounts	443,827	445,385	448,061	450,785	456,061	2.8%	19.3%
Size of System							
<hr/>							
Miles to be Maintained							
Water	5,521	5,552	5,586	5,606	5,640	2.2%	13.7%
Sewer	<u>5,402</u>	<u>5,424</u>	<u>5,451</u>	<u>5,476</u>	<u>5,503</u>	<u>1.9%</u>	<u>14.1%</u>
TOTAL	10,923	10,976	11,037	11,082	11,143	2.0%	13.9%
Water Production (average MGD)	160.6	162.9	164.2	164.0	164.0	2.1%	2.8%
Sewage Flows (average MGD)	195.6	190.8	184.8	217.5	207.2	5.9%	7.9%

ORGANIZATIONAL HIGHLIGHTS

SECTION 3

ORGANIZATIONAL HIGHLIGHTS

	<u>FY'18 APPROVED</u>	
	<u>AMOUNT</u>	<u>WORKYEARS</u>
<u>COMMISSIONERS OFFICE/CORPORATE SECRETARY'S OFFICE, GENERAL MANAGER & STAFF OFFICES</u>	\$14,523,906	52.0

This group of organizations is comprised of the following offices: Commissioners/Corporate Secretary; General Manager; Internal Audit; General Counsel; and WSSC Stat.

- 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.
- *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 *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 *WSSC Stat Office* uses both real-time and other data to assist various organizations within the Commission to track their performance; and ensure that they provide a more effective and efficient response to our customers.

ORGANIZATIONAL HIGHLIGHTS

(Continued)

	<u>FY'18 APPROVED</u>	<u>AMOUNT</u>	<u>WORKYEARS</u>
<u>STRATEGIC PARTNERSHIPS</u>		\$17,583,500	161.0

This group of organizations is comprised of the following department and offices: Customer Relations Department; Intergovernmental Relations; Communications and Community Relations; Human Resources; and Equal Employment Opportunities.

- ***Customer Service Department*** led by the Director of Customer Service, is comprised of Customer Care, Center of Excellence, Customer Engagement and Advocacy, and Billing and Revenue Protection Divisions. The Department is responsible for providing customers with timely, accurate, and responsive services and improving the overall customer experience.
 - ***Customer Care Division*** – serves as the voice of the utility for customer oriented services and is comprised of the Customer Service Center (CSC), Correspondence & Investigations Section, and Emergency Service Center (ESC). The Division responds to general and complex customer requests such as customer assistance and billing matters, research and analysis, and water and sewer emergencies.
 - ***Center of Excellence Division*** – provides centralized strategies and resources for the Department including workforce scheduling, forecasting and resource allocation; quality assurance, training, and coaching; employee engagement and performance-based management; and innovative business process and customer service technology strategies for the enterprise.
 - ***Customer Engagement & Advocacy Division*** – serves as an advocate for all customers for resolving complex customer service issues and promoting effective customer relationships. This Division informs communities and stakeholders about WSSC priorities and projects, and promotes customer assistance programs and initiatives.
 - ***Billing & Revenue Protection*** – manages billing and collections operations for accurate and reliable billing and payment services, billing adjustments and corrections, and revenue analysis and management. The Division partners with Utility Services to handle account collections and turn-offs, and support timely and effective meter reading.
- The ***Intergovernmental Relations Office*** analyzes the impact of state and federal legislation on the Commission, and communicates with the legislative bodies.
- 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. It is also responsible for providing a safe and healthy work environment for Commission employees, administering safety and health programs to ensure compliance with all federal, state and local regulations.
- The ***Equal Employment Opportunities Office*** is responsible for planning, directing, and coordinating the activities as they relate to Equal Employment Opportunity practices.

ORGANIZATIONAL HIGHLIGHTS

(Continued)

FY'18 APPROVED

<u>AMOUNT</u>	<u>WORKYEARS</u>
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\$907,308,573	1,216.0
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OPERATIONS

This group of organizations is comprised of the following departments and office: Engineering & Construction Department; Production Department; Utility Services Department; and the Asset Management Office.

- The ***Engineering & Construction Department*** is led by the Chief Engineer and is comprised of the Development Services, Planning, Facility Design & Construction, Pipeline Design, Process Control Engineering, Regulatory Services, Pipeline Construction, and Engineering & Environmental Services Divisions.
 - The ***Development Services Division*** 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 Division 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 Division*** 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 ***Facility Design & Construction Division*** is responsible for administering and managing the planning, design, construction, and inspection of major facility projects. The Division also oversees special projects, planning studies, and miscellaneous contracts.
 - The ***Pipeline Design Division*** 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 Engineering Division*** 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 Division*** 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 Pipeline Construction Division*** is responsible for the management and inspection of water supply and wastewater

ORGANIZATIONAL HIGHLIGHTS

(Continued)

pipeline construction contracts, as well as the associated contracts for house connections, paving, and landscaping.

- The ***Engineering & Environmental Services Division*** 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).
- The ***Production Department*** is led by the Production Director and is comprised of the Potomac, Patuxent, Piscataway, Parkway, Western Branch, Seneca/Damascus/Hyattstown plants, and Laboratory, Systems Control, Facilities Maintenance, Production Support and the Energy Management Divisions.
 - The ***Potomac, Patuxent, Piscataway, Parkway, Western Branch, and Seneca/Damascus/Hyattstown*** plants 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 Division*** is responsible for providing laboratory analysis, regulatory compliance, and consulting support to the plants, other WSSC groups, and local jurisdictions.
 - The ***Systems Control Division*** 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 ***Facilities Maintenance Division*** is responsible for providing specialized in-house electrical, mechanical, instrumentation, welding, carpentry, machining, engineering and support for all of WSSC's Production Department facilities, and for buildings and grounds maintenance for all of WSSC's other facilities and depots.
 - The ***Production Support Division*** is responsible for utilities cost control, bio-solids management, competitive action efforts, safety, training and security. The Division also supports other miscellaneous initiatives such as greenhouse gas planning, anaerobic digester feasibility studies, and renewable energy programs.
 - The ***Energy Management Division*** is responsible for optimizing the usage, reliability, and cost of electricity, natural gas, fuel oil, propane, and diesel fuel in conjunction with maintaining or improving the quality of operation and maintenance of all water/wastewater treatment plants, pumping stations, storage sites and field offices.

ORGANIZATIONAL HIGHLIGHTS

(Continued)

- The ***Utility Services Department***, led by the Utility Services Director, 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 Divisions*** are responsible for maintaining the distribution and collection system including all of the Commission's water and sewer mains, 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 ***Meter Services Division*** is responsible for 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. Additional support services provided include the fire hydrant meter leasing program, and warehousing and issuing of large water meters.
 - The ***Utility Services Learning & Development Division*** is responsible for training Utility Services Department employees and ensuring that current work practices are operationally effective. This Division searches for best practices and/or technology that will provide greater efficiencies and increase productivity in the various work groups of the Utility Services Department.
 - The ***Water/Wastewater Systems Assessment Division*** 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 Pre-stressed Concrete Cylinder Pipe (PCCP) inspections and oversight of Acoustic Fiber Optic (AFO) monitoring of major pipelines.
 - The ***Pipeline Infrastructure Strategic Planning Division*** is responsible for the collection of quality data that assists in the management and administration of predictive and preventive maintenance activities impacting our pipeline infrastructure. The Division utilizes data to plan and schedule maintenance activities, develop water and wastewater asset management plans, and improve business workflows within the Utility Services Department.
- ***Asset Management Office*** identifies investment needs of facilities, water transmission and distribution lines, and wastewater collection assets through the Asset Management Program (AMP).

ORGANIZATIONAL HIGHLIGHTS

(Continued)

ADMINISTRATION

<u>FY'18 APPROVED</u>	
<u>AMOUNT</u>	<u>WORKYEARS</u>
\$80,479,918	347.0

This group of organizations is comprised of the following departments and offices: Finance Department; Information Technology Department; General Services Department; Procurement Office and the Office of Supplier Diversity & Inclusion.

- The ***Finance Department*** is led by the Chief Financial Officer and is comprised of the Retirement, Revenue, Accounting, Disbursements, and Budget Divisions. The Finance Department 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 Department.
 - The ***Retirement Division*** is responsible for administering the WSSC Employees' Retirement Plan for employees and retirees in accordance with the Plan and Internal Revenue Service regulations. The Division 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 Division*** is responsible for receiving, processing, depositing, and recording all funds received by the Commission in an accurate and timely manner. The Division 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 Division*** 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 Division*** is responsible for maintaining and processing all of the Commission's disbursements, including payroll. Additionally, the Division maintains and reconciles the Commission's debt service records and health care records.
 - The ***Budget Division*** 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 Division 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)

- The ***Information Technology Department***, led by the Chief Information Officer, is comprised of the Information Technology Infrastructure & Operations, Network Infrastructure & Data Center Operations, Governance, and Applications & Development Divisions. The Department 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 Department 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 ***Infrastructure & Operations Division*** is responsible for supporting the core IT business operations as they relate to application development and end user support, including break-fix 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 ***Governance Division*** is responsible for providing the conceptual framework, structures, processes, resources and information aligned to the Commission’s strategies and objectives for organization-wide IT priorities and policies. Governance works with constituent groups to understand, review and make recommendations to improve access to and use of data and information sources, then oversees the design, build and maintenance of IT services and programs. This division ensures that IT operations run effectively, efficiently, and in compliance with all related regulations and procedures.
 - The ***Applications & Development Division*** is responsible for refining and implementing WSSC’s strategic technical vision and leading significant aspects of the Commission’s information technology development by fostering innovation, prioritizing technology initiatives, and coordinating the evaluation, deployment and management of current and future technology systems across the organization.

ORGANIZATIONAL HIGHLIGHTS

(Continued)

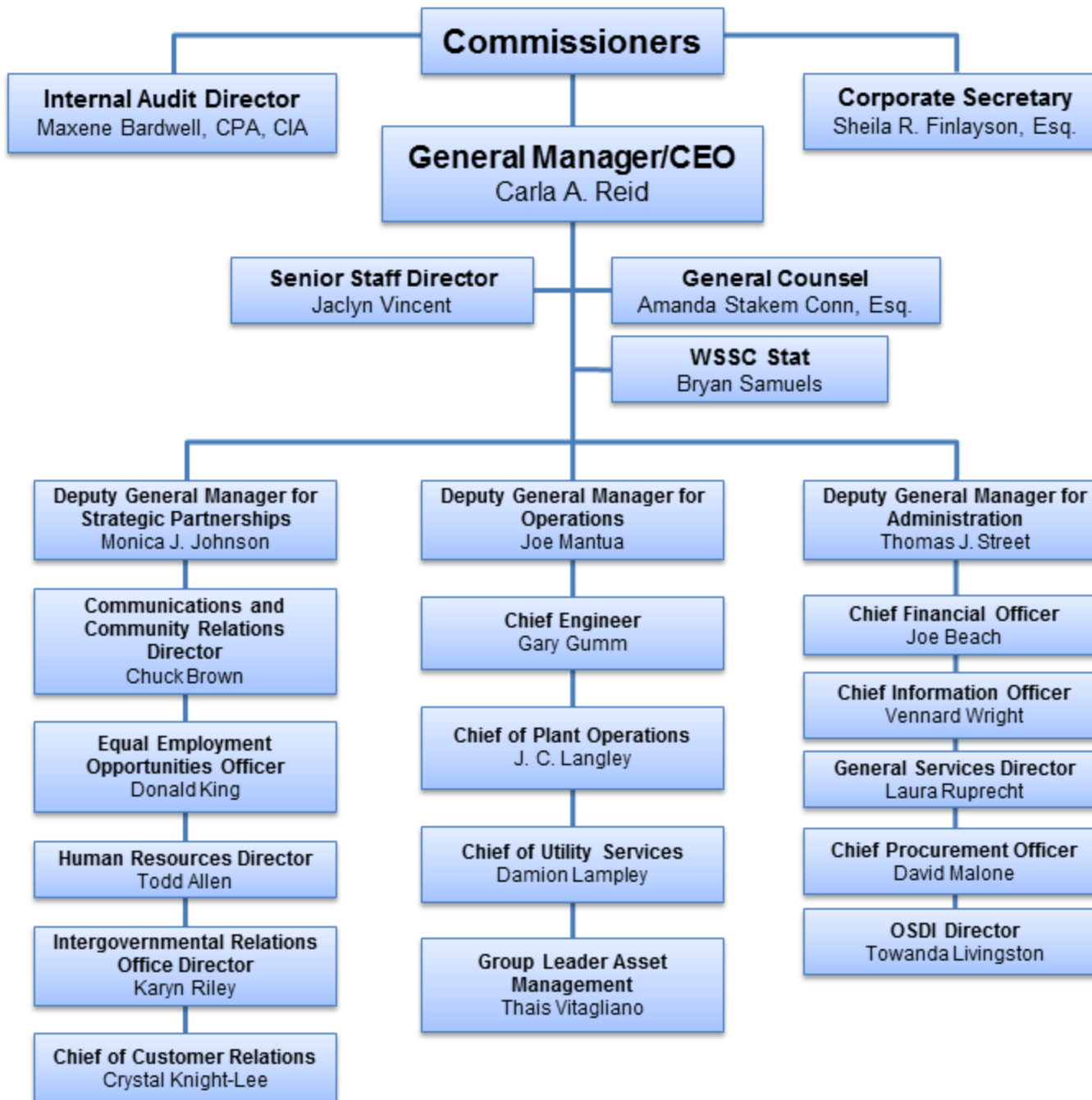
- The ***General Services Department***, led by the General Services Director, is comprised of 4 Divisions: Support Services, Fleet Services, Materials Management, and Police & Homeland Security.
 - The ***Support Services Division*** is responsible for providing reprographics, mail services and distribution, office supplies, food and vending services, and asset management of furniture and copy machines.
 - The ***Fleet Services Division*** 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 Division*** is responsible for acquiring and distributing materials and supplies throughout the Commission; and ensuring the materials are manufactured to the Commissions standards.
 - The ***Police & Homeland Security Division*** 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.

- 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.

- The ***Office of Supplier Diversity & Inclusion*** 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.

ORGANIZATION AND FACILITIES

SECTION 4



Comparative Expenditures by Organizational Unit

	FY'17 Approved		FY'18 Approved	
	Workyears	Amount	Workyears	Amount
Commissioners Office/Corporate Secretary's Office	2	\$ 358,200	2	\$ 380,735
Internal Audit	10	1,260,200	10	1,308,751
General Manager's Office	15	5,920,000	10	1,621,640
WSSC Stat Office	4	587,400	4	685,726
General Counsel's Office (Claims Unit formerly in Customer Relations)	16	4,110,800	26	10,527,054
Strategic Partnerships				
Customer Service Department	107	13,961,200	101	8,104,616
Intergovernmental Relations Office	4	694,600	4	714,808
Communications & Community Relations Office	19	2,878,500	19	2,756,222
Human Resources Office (Occupational Health & Safety formerly in General Services)	36	5,766,700	36	5,880,431
Equal Employment Opportunities Office (formerly Fair Practice Office)	1	121,300	1	127,423
Operations				
Engineering & Construction Department	378	629,481,800	377	618,045,772
Production Department	303	167,500,100	332	171,942,315
Utility Services Department	504	116,630,200	499	114,009,997
Asset Management Office (formerly in the General Manager's Office)			8	3,310,489
Administration				
Finance Department	62	6,977,400	64	7,198,969
Information Technology Department	109	45,159,300	104	45,053,733
General Services Office (formerly Logistics Office)	162	29,972,900	135	23,460,855
Procurement Office	35	3,552,400	35	3,388,073
Office of Supplier Diversity & Inclusion (formerly SLMBE Office)	9	1,368,400	9	1,378,288
Non-Departmental (Finance)	-	47,489,500	-	52,090,496
Non-Departmental (Human Resources)	-	35,531,500	-	36,724,900
Debt Service	-	261,437,000	-	271,216,000
PAYGO	-	23,095,000	-	30,193,000
Depreciation Expense	-	16,301,600	-	16,625,200
Operating Reserve Contribution	-	6,524,000	-	-
SUMMARY-TOTAL	1,776	\$ 1,426,680,000	1,776	\$ 1,426,745,493

Comparative Personnel Complement by Organizational Unit

	<u>FY'16 Actual</u>		<u>FY'17 Approved</u>		<u>FY'18 Approved</u>	
	Authorized Positions	Workyears	Authorized Positions	Workyears	Authorized Positions	Workyears
Commissioners Office/Corporate Secretary's Office	*8	1.0	*8	2.0	*8	2.0
Internal Audit	10	9.0	10	10.0	10	10.0
General Manager's Office	6	5.6	15	15.0	10	10.0
WSSC Stat Office	7	3.9	4	4.0	4	4.0
General Counsel's Office	16	14.5	16	16.0	26	26.0
Strategic Partnerships						
Customer Service Department	96	75.3	107	107.0	101	101.0
Intergovernmental Relations Office	4	3.4	4	4.0	4	4.0
Communications & Community Relations Office	18	17.7	19	19.0	19	19.0
Human Resources Office (Occupational Health & Safety formerly in General Services)	25	35.2	36	36.0	36	36.0
Equal Employment Opportunities Office (formerly Fair Practice Office)	1	1.0	1	1.0	1	1.0
Operations						
Engineering & Construction Department	378	350.3	378	378.0	377	377.0
Production Department	299	286.7	303	303.0	332	332.0
Utility Services Department	503	479.5	504	504.0	499	499.0
Asset Management Office (formerly in the General Manager's Office)					8	8.0
Administration						
Finance Department	61	54.2	62	62.0	64	64.0
Information Technology Department	110	78.7	109	109.0	104	104.0
General Services Office (formerly Logistics Office)	174	141.9	162	162.0	135	135.0
Procurement Office	28	23.1	35	35.0	35	35.0
Office of Supplier Diversity & Inclusion (formerly SLMBE Office)	9	5.9	9	9.0	9	9.0
SUMMARY-TOTAL	<u>1,745.0</u>	<u>1,586.9</u>	<u>1,776.0</u>	<u>1,776.0</u>	<u>1,776.0</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'18 Approved	
	<u>Workyears</u>	<u>Amount</u>
Base Positions Funded Full Year	1,776	\$ 147,108,078
Overtime		<u>7,919,500</u>
Subtotal		155,027,578
Lapse on Base Positions *		<u>8,976,873</u>
Subtotal		146,050,705
Salary Enhancements		4,799,085
Salary - 6 Commissioners		<u>78,500</u>
TOTAL	<u>1,776</u>	<u>\$ 150,928,290</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'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>ACTUAL</u>	<u>FY'17</u> <u>APPROVED</u>	<u>FY'18</u> <u>APPROVED</u>
Population Served	1,742,000	1,749,000	1,757,000	1,765,000	1,774,000	1,783,000	1,792,000
Customer Accounts	439,805	441,480	443,827	445,385	448,061	450,785	456,061
Water Produced (average MGD)	165.7	161.2	160.6	162.9	164.2	164.0	164.0
Water Produced (millions of gallons)	60,648	58,830	58,603	59,469	59,933	59,860	59,860
Water Mains Maintained (miles)	5,471	5,494	5,521	5,552	5,586	5,606	5,640
Water Mains Constructed (miles added by WSSC)	0.3	7.3	0.5	9.0	7.0	2.0	2.0
Water Mains Constructed (miles added by developers)	20.5	15.3	26.3	22.4	27.1	25.0	25.0
Water House Connections Maintained	444,184	446,453	449,333	453,004	457,393	458,604	465,393
Water House Connections Installed	2,591	2,269	2,880	3,671	4,389	2,800	4,000
Water Meters Issued	11,598	18,554	14,675	17,540	17,936	18,065	18,065
Sewage Systems Total Flow (average MGD)	183.7	177.2	195.6	190.8	184.6	217.5	207.2
Sewage Systems Total Flow (millions of gallons)	66,950	64,666	71,232	69,650	67,545	79,388	75,628
Sewer Mains Maintained (miles)	5,363	5,376	5,402	5,424	5,451	5,476	5,503
Sewer Mains Constructed (miles added by WSSC)	-	0.4	-	-	0.2	1.0	1.0
Sewer Mains Constructed (miles added by developers)	19.4	12.6	25.7	21.4	27.3	25.0	25.0
Sewer House Connections Maintained	421,092	423,110	425,445	428,279	431,589	433,479	437,789
Sewer House Connections Installed	2,374	2,018	2,335	2,834	3,310	2,600	3,100
Maintenance Work Orders (Emergency and Routine)	84,906	99,469	108,482	114,007	108,372	98,300	103,047
Vehicles in Fleet	933	955	1,079	1,004	960	953	970
Miles Traveled by Fleet	5,866,778	5,250,810	5,028,532	5,432,420	6,940,268	5,230,476	7,963,922
Water Meter Readings Completed	2,006,837	1,967,090	1,987,261	2,028,473	2,225,306	2,052,950	2,283,266
Authorized Positions	1,681	1,693	1,717	1,729	1,747	1,776	1,776
Authorized Workyears	1,681	1,693	1,717	1,729	1,747	1,776	1,776
Actual Employment Level - Beginning	1,528	1,549	1,549	1,550	1,561	1,633	
Actual Employment Level - Ending	1,549	1,549	1,550	1,561	1,633		
Actual Workyears	1,522	1,535	1,530	1,546	1,587		

SELECTED FINANCIAL DATA

	<u>FY'12 ACTUAL</u>	<u>FY'13 ACTUAL</u>	<u>FY'14 ACTUAL</u>	<u>FY'15 ACTUAL</u>	<u>FY'16 ACTUAL</u>	<u>FY'17 APPROVED</u>	<u>FY'18 APPROVED</u>
1. Customer Water & Sewer Rate Percent Change							
<u>Consumption Charges</u>							
Water	11.6%	2.9%	1.9%	7.7%	1.2%	5.9%	4.5%
Sewer	5.9%	11.5%	11.6%	3.9%	0.9%	0.8%	2.7%
Combined	8.5%	7.5%	7.25%	5.5%	1.0%	3.0%	3.5%
2. Water & Sewer Bill Revenues (\$ in Thousands)							
Water Consumption Charges	\$226,286	\$225,212	\$227,923	\$242,867	\$235,805	\$255,054	\$267,080
Sewer Use Charges	<u>255,842</u>	<u>275,559</u>	<u>309,403</u>	<u>319,488</u>	<u>307,264</u>	<u>324,182</u>	<u>333,822</u>
Total Consumption Charges	482,128	500,771	537,326	562,355	543,069	579,236	600,902
Account Maintenance Fee	22,386	22,772	22,582	22,753	29,247	32,552	32,118
Infrastructure Investment Fee	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,700</u>	<u>38,962</u>	<u>38,816</u>
Total	<u>\$ 504,514</u>	<u>\$ 523,543</u>	<u>\$ 559,908</u>	<u>\$ 585,108</u>	<u>\$ 589,016</u>	<u>\$ 650,750</u>	<u>\$ 671,836</u>
3. Water Production (average MGD)	165.7	161.2	160.6	162.9	164.2	164.0	164.0

WATER & SEWER OPERATING FUNDS - COMBINED

(\$ In Thousands)

	<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>ACTUAL</u>	<u>FY'17</u> <u>APPROVED</u>	<u>FY'18</u> <u>APPROVED</u>
<u>REVENUES</u>							
Water Consumption Charges	\$ 226,286	\$ 225,212	\$ 227,923	\$ 242,867	\$ 235,805	\$ 255,054	\$ 267,080
Sewer Use Charges	255,842	275,559	309,403	319,488	307,264	324,182	333,822
Interest Income	647	722	630	532	696	700	700
Miscellaneous	24,788	26,926	25,104	29,484	31,989	29,512	33,532
Account Maintenance Fee	22,386	22,772	22,582	22,753	29,247	32,552	32,118
Infrastructure Investment Fee	-	-	-	-	16,700	38,962	38,816
Total Revenues	<u>529,949</u>	<u>551,191</u>	<u>585,642</u>	<u>615,124</u>	<u>621,701</u>	<u>680,962</u>	<u>706,068</u>
SDC Debt Service Offset	2,293	2,192	1,428	1,167	728	206	-
Reconstruction Debt Service Offset	11,000	11,000	10,500	10,000	8,500	9,800	7,700
Use of Fund Balance	3,400	18,528	27,481	30,193	20,721	26,050	11,580
Total Funds Available	<u>\$ 546,642</u>	<u>\$ 582,911</u>	<u>\$ 625,051</u>	<u>\$ 656,484</u>	<u>\$ 651,650</u>	<u>\$ 717,018</u>	<u>\$ 725,348</u>
<u>EXPENDITURES</u>							
Salaries & Wages	\$ 88,666	\$ 92,996	\$ 95,482	\$ 100,118	\$ 104,030	\$ 114,088	\$ 120,276
Heat, Light & Power	24,658	22,979	24,443	24,229	22,000	23,581	22,015
Regional Sewage Disposal	49,483	49,226	44,631	54,485	50,068	54,501	53,617
Debt Service							
Principal Payments	128,402	128,626	150,069	153,968	134,171	173,206	182,428
Interest Payments	47,269	55,604	60,772	68,013	76,190	70,602	74,643
Debt Reduction (PAYGO)	-	-	13,782	19,996	18,821	23,095	30,193
All Other	180,082	188,854	185,487	203,934	214,607	251,421	242,176
Working Capital Reserve Transfer	-	10,200	11,700	2,300	6,300	6,524	-
Total Expenditures	<u>\$ 518,560</u>	<u>\$ 548,485</u>	<u>\$ 586,366</u>	<u>\$ 627,043</u>	<u>\$ 626,187</u>	<u>\$ 717,018</u>	<u>\$ 725,348</u>
Water Production (average MGD)	165.7	161.2	160.6	162.9	164.2	164.0	164.0

CAPITAL BUDGET VS. ACTUAL EXPENSES
FY'97 - FY'16
(\$ 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
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	194,064	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
2016	266,623	249,908	400,470	387,242	17,539	13,049	684,632	650,199

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 \$3.53 to \$8.16 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.

OPERATING FUNDS

(Continued)

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'15</u> <u>Actual</u>	<u>FY'16</u> <u>Actual</u>	<u>FY'17</u> <u>Approved</u>	<u>FY'18</u> <u>Approved</u>
Water Consumption Charges	\$242,867	\$235,805	\$255,054	\$267,080
Account Maintenance Fee	11,604	14,916	16,276	16,380
Infrastructure Investment Fee	-	8,517	19,481	19,797
Plumbing & Inspection Fees	5,316	6,037	5,460	6,560
Interest	24	30	100	100
SDC Debt Service Offset	277	213	203	-
Miscellaneous	9,591	10,527	9,900	11,100

OPERATING FUNDS

(Continued)

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 \$4.42 to \$11.20 per 1,000 gallons of metered water. Customers who receive sewage disposal services only are currently charged at a flat rate of \$108.00 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.

OPERATING FUNDS

(Continued)

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'15</u> <u>Actual</u>	<u>FY'16</u> <u>Actual</u>	<u>FY'17</u> <u>Approved</u>	<u>FY'18</u> <u>Approved</u>
Sewer Use Charges	\$319,488	\$307,264	\$324,182	\$333,822
Account Maintenance Fee	11,149	14,331	16,276	15,738
Infrastructure Investment Fee	-	8,183	19,481	19,019
Plumbing & Inspection Fees	3,813	4,393	3,920	4,740
Interest	508	666	600	600
Rockville Sewer Use	3,186	3,142	2,632	2,632
SDC Debt Service Offset	890	515	3	-
Miscellaneous	7,578	7,890	7,600	8,500

OPERATING FUNDS

(Continued)

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.

OPERATING FUNDS

(Continued)

Interest on Investments - revenue derived from investments of cash available to the 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'15</u> <u>Actual</u>	<u>FY'16</u> <u>Actual</u>	<u>FY'17</u> <u>Approved</u>	<u>FY'18</u> <u>Approved</u>
Front Foot Benefit Charges and Deferred House Connection Charges	\$29,971	\$24,925	\$21,719	\$18,852
Interest	62	87	100	20
Miscellaneous	384	312	300	240

CONSOLIDATED STATEMENT OF OPERATING FUNDS, REVENUES, AND EXPENDITURES

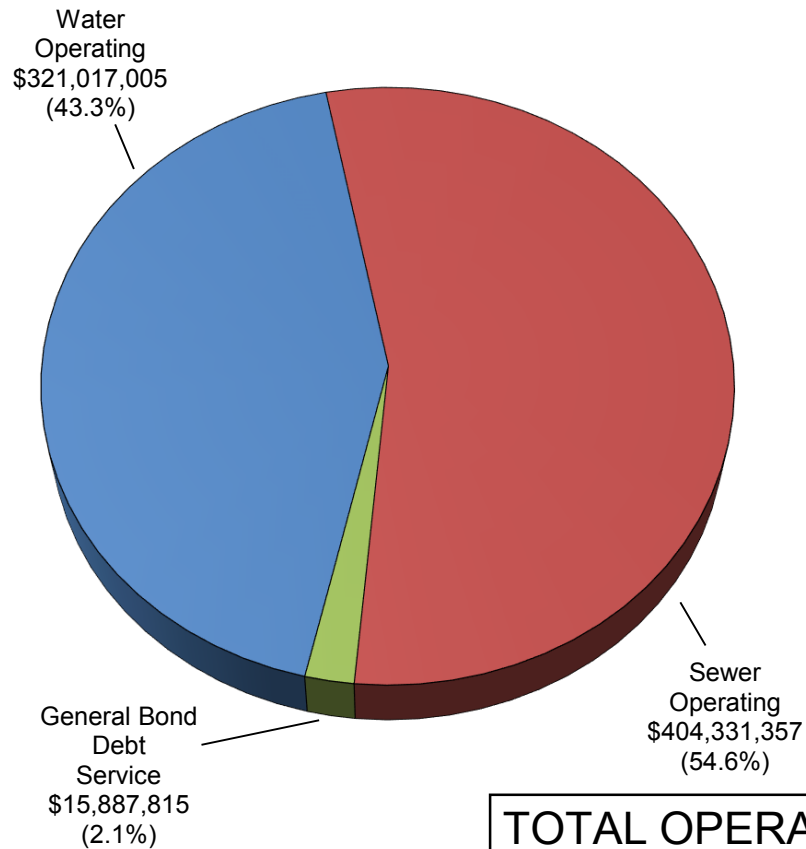
(\$ In Thousands)

	<u>FY'16</u> <u>Actual</u>	<u>FY'17</u> <u>Approved</u> <u>Budget</u>	<u>FY'18</u> <u>Approved</u> <u>Budget</u>
<u>REVENUES</u>			
Water Consumption Charges	\$235,805	\$255,054	\$267,080
Sewer Use Charges	307,264	324,182	333,822
Account Maintenance Fee	29,247	32,552	32,118
Infrastructure Investment Fee	16,700	38,962	38,816
Front Foot Benefit & House Connection Charges (Deferred)	24,925	21,719	18,852
Plumbing & Inspection Fees	10,430	9,380	11,300
Interest Income	783	800	720
Rockville Sewer Use	3,142	2,632	2,632
Use of Fund Balance	20,721	26,050	11,580
Miscellaneous	<u>18,729</u>	<u>17,800</u>	<u>19,840</u>
TOTAL REVENUES	<u>667,746</u>	<u>729,131</u>	<u>736,760</u>
<u>EXPENSES</u>			
Salaries & Wages	104,753	114,718	120,919
Heat, Light & Power	22,000	23,581	22,028
Regional Sewage Disposal	50,068	54,501	53,617
All Other	215,625	252,526	243,263
Debt Reduction (PAYGO)	18,821	23,095	30,193
Debt Service			
Principal Payments	148,273	186,603	193,177
Interest Payments	<u>80,199</u>	<u>74,834</u>	<u>78,039</u>
GROSS EXPENSES	<u>639,739</u>	<u>729,858</u>	<u>741,236</u>
Less: Reconstruction Debt Service Offset	(8,500)	(9,800)	(7,700)
SDC Debt Service Offset	(728)	(206)	-
Working Capital Reserve Transfer	<u>6,300</u>	<u>6,524</u>	-
NET EXPENSES	<u>636,811</u>	<u>726,376</u>	<u>733,536</u>
NET REVENUE (LOSS) FOR YEAR	<u>\$ 30,935</u>	<u>\$ 2,755</u>	<u>\$ 3,224</u>

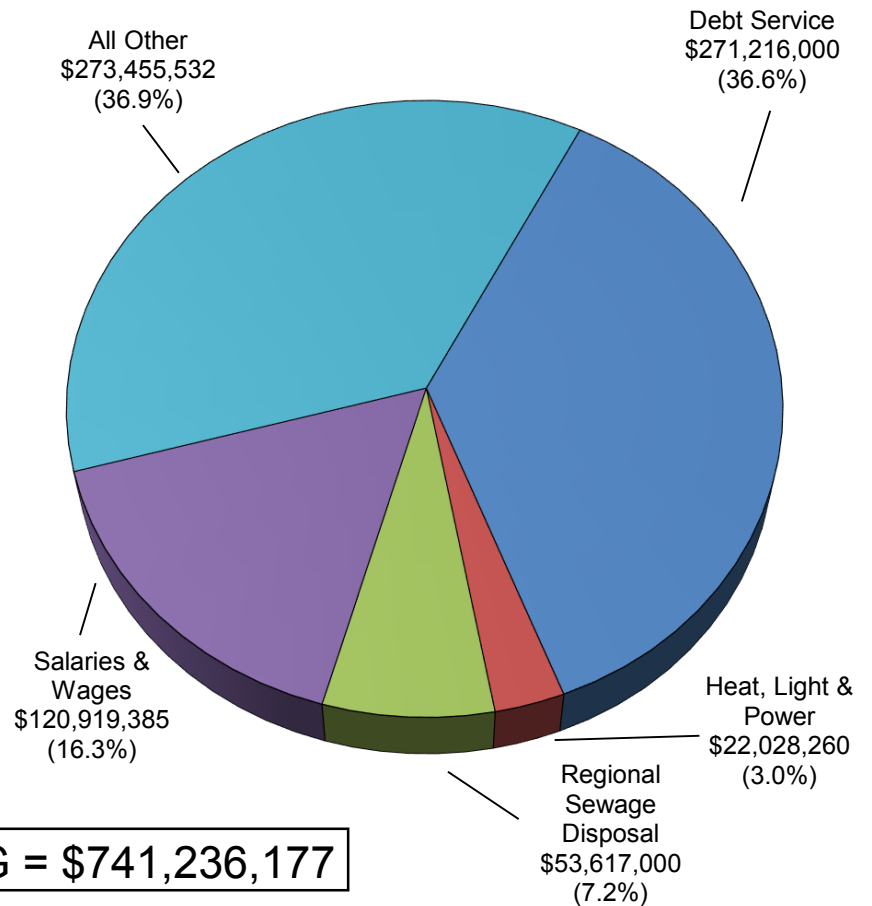
FY 2018 APPROVED BUDGET

OPERATING EXPENDITURES

BY FUND



BY MAJOR EXPENSE CATEGORY



TOTAL OPERATING = \$741,236,177

WATER OPERATING

(\$ In Thousands)

	<u>FY'16 Actual</u>	<u>FY'17 Approved Budget</u>	<u>FY'18 Approved Budget</u>
<u>REVENUES</u>			
Water Consumption Charges	\$ 235,805	\$ 255,054	\$ 267,080
Account Maintenance Fee	14,916	16,276	16,380
Infrastructure Investment Fee	8,517	19,481	19,797
Plumbing & Inspection Fees	6,037	5,460	6,560
Interest Income	30	100	100
Use of Fund Balance	10,102	10,962	-
Miscellaneous	10,527	9,900	11,100
TOTAL REVENUES	<u>285,934</u>	<u>317,233</u>	<u>321,017</u>
<u>EXPENSES</u>			
Salaries & Wages	57,368	60,897	64,169
Heat, Light & Power	13,316	12,843	11,761
All Other	112,755	127,384	125,604
Debt Reduction (PAYGO)	8,388	10,707	13,163
Debt Service			
Principal Payments	57,260	77,268	78,013
Interest Payments	30,652	28,037	28,307
GROSS EXPENSES	<u>279,739</u>	<u>317,136</u>	<u>321,017</u>
Less: Reconstruction Debt Service Offset	(1,000)	(2,800)	-
SDC Debt Service Offset	(213)	(203)	-
Working Capital Reserve Transfer	3,213	3,100	-
NET EXPENSES	<u>281,739</u>	<u>317,233</u>	<u>321,017</u>
NET REVENUE (LOSS) FOR YEAR	<u>\$ 4,195</u>	<u>\$ -</u>	<u>\$ -</u>

SEWER OPERATING

(\$ In Thousands)

	<u>FY'16 Actual</u>	<u>FY'17 Approved Budget</u>	<u>FY'18 Approved Budget</u>
<u>REVENUES</u>			
Sewer Use Charges	\$ 307,264	\$ 324,182	\$ 333,822
Account Maintenance Fee	14,331	16,276	15,738
Infrastructure Investment Fee	8,183	19,481	19,019
Plumbing & Inspection Fees	4,393	3,920	4,740
Interest Income	666	600	600
Rockville Sewer Use	3,142	2,632	2,632
Use of Fund Balance	10,619	15,088	11,580
Miscellaneous	7,890	7,600	8,500
TOTAL REVENUES	<u>356,488</u>	<u>389,779</u>	<u>396,631</u>
<u>EXPENSES</u>			
Salaries & Wages	46,662	53,191	56,106
Heat, Light & Power	8,684	10,738	10,255
Regional Sewage Disposal	50,068	54,501	53,617
All Other	101,852	124,037	116,572
Debt Reduction (PAYGO)	10,433	12,388	17,030
Debt Service			
Principal Payments	76,911	95,938	104,415
Interest Payments	45,538	42,565	46,336
GROSS EXPENSES	<u>340,148</u>	<u>393,358</u>	<u>404,331</u>
Less: Reconstruction Debt Service Offset	(7,500)	(7,000)	(7,700)
SDC Debt Service Offset	(515)	(3)	-
Working Capital Reserve Transfer	3,087	3,424	-
NET EXPENSES	<u>335,220</u>	<u>389,779</u>	<u>396,631</u>
NET REVENUE (LOSS) FOR YEAR	<u>\$ 21,268</u>	<u>\$ -</u>	<u>\$ -</u>

GENERAL BOND DEBT SERVICE

(\$ In Thousands)

	<u>FY'16 Actual</u>	<u>FY'17 Approved Budget</u>	<u>FY'18 Approved Budget</u>
<u>REVENUES</u>			
Front Foot Benefit & House Connection			
Charges (Deferred)	\$ 24,925	\$ 21,719	\$ 18,852
Interest Income	87	100	20
Miscellaneous	312	300	240
Use of Fund Balance	8,500	9,800	7,700
Reconstruction Debt Service Offset	<u>(8,500)</u>	<u>(9,800)</u>	<u>(7,700)</u>
TOTAL REVENUES	<u>25,324</u>	<u>22,119</u>	<u>19,112</u>
<u>EXPENSES</u>			
Salaries & Wages	723	630	644
Heat, Light & Power	-	-	13
All Other	1,018	1,105	1,086
Debt Service			
Principal Payments	14,102	13,397	10,749
Interest Payments	<u>4,009</u>	<u>4,232</u>	<u>3,396</u>
TOTAL EXPENSES	<u>19,852</u>	<u>19,364</u>	<u>15,888</u>
NET REVENUE (LOSS) FOR YEAR	<u>\$ 5,472</u>	<u>\$ 2,755</u>	<u>\$ 3,224</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 assets.

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 assets; and reimbursement to the District of Columbia Water and Sewer Authority for projects 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.

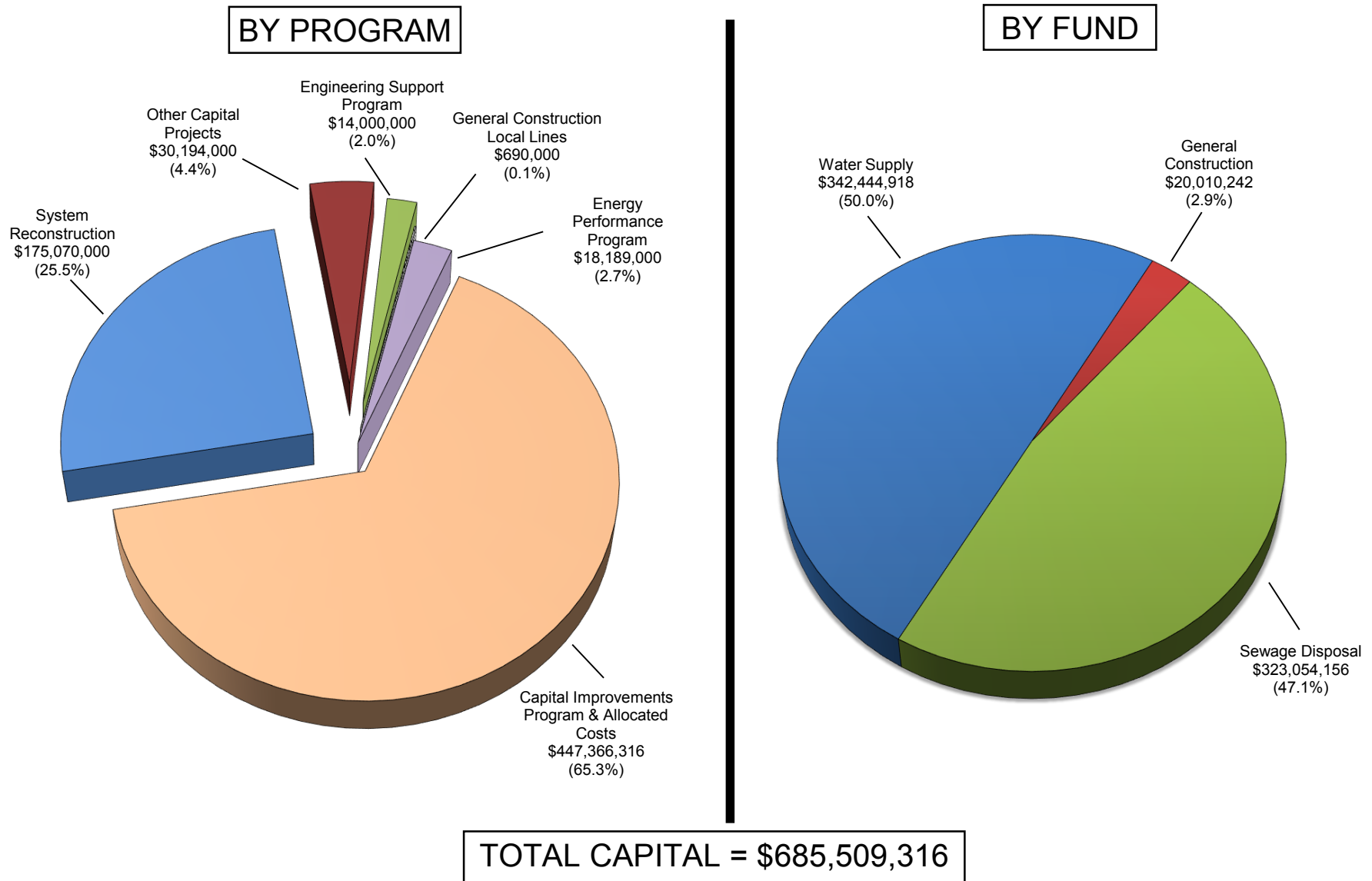
Sources of Revenue

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.

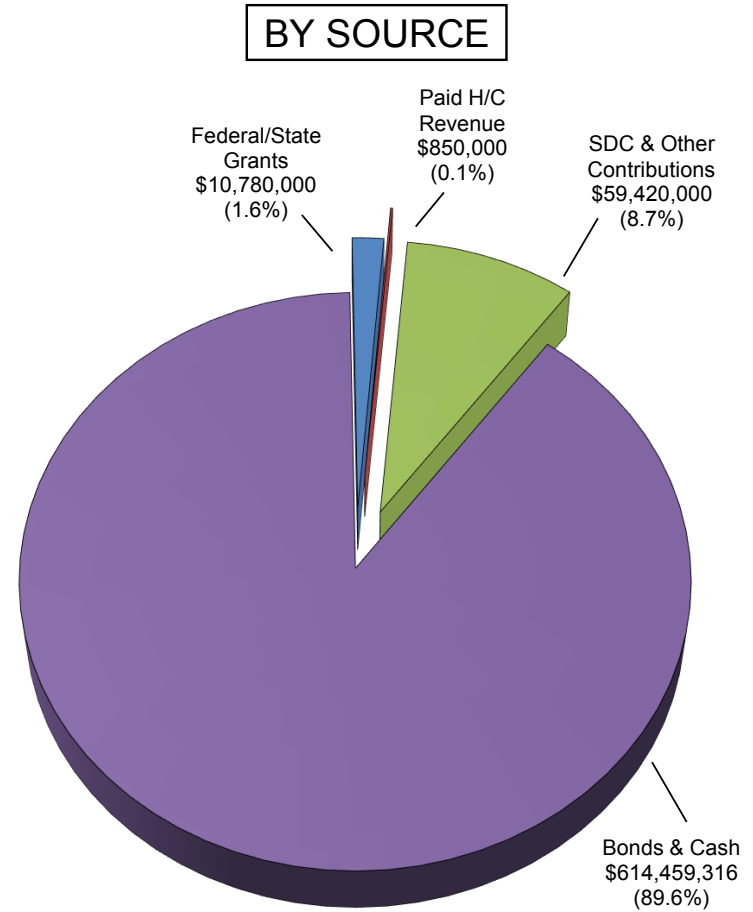
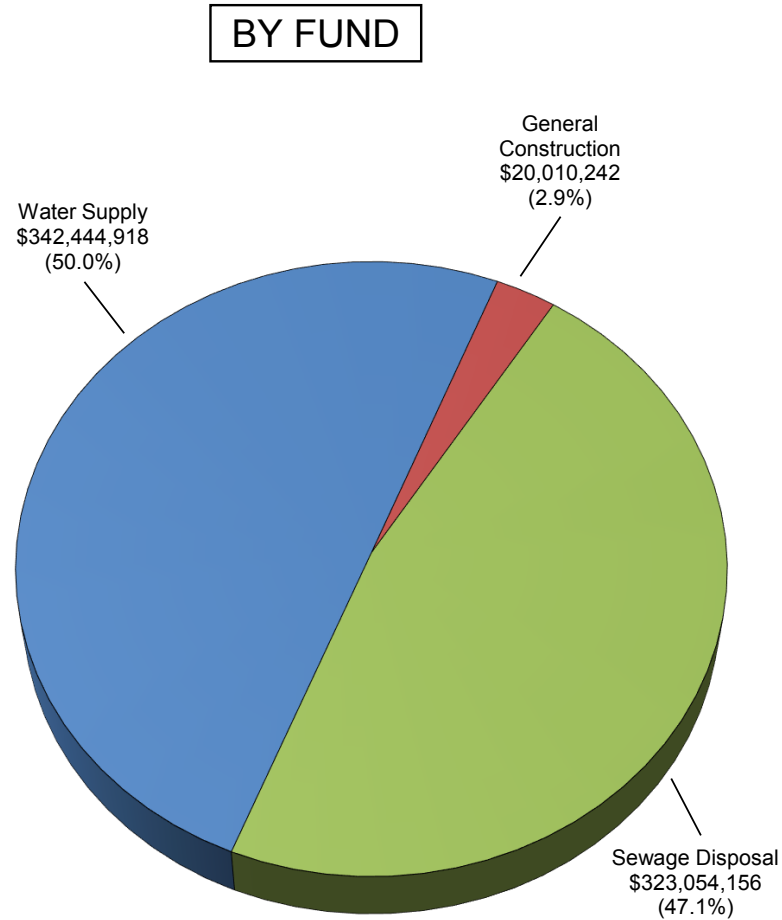
Anticipated Contributions - house connection charges which are paid as a lump sum, and contributions made by private parties for the excess cost of extending lateral water and sewer lines to certain areas.

FY 2018 APPROVED BUDGET

CAPITAL EXPENDITURES



FY 2018 APPROVED BUDGET CAPITAL



SDC = System Development Charge
H/C = House Connection

TOTAL CAPITAL = \$685,509,316

STATEMENT OF CAPITAL FUNDS, INCOME, AND EXPENDITURES

CAPITAL FUNDS TOTAL

(\$ In Thousands)

	<u>FY'16</u>	<u>FY'17</u>	<u>FY'18</u>
	<u>Actual</u>	<u>Approved</u>	<u>Approved</u>
		<u>Budget</u>	<u>Budget</u>
<u>GROSS FUNDS AVAILABLE</u>			
Bonds Issued and Cash on Hand	\$ 495,787	\$ 571,371	\$ 614,459
Anticipated Contributions:			
Federal and State Grants	30,778	16,822	10,780
System Development Charge (SDC)	8,600	77,978	32,189
Other	<u>28,610</u>	<u>24,127</u>	<u>28,081</u>
Available for Current Construction	<u>563,775</u>	<u>690,298</u>	<u>685,509</u>
<u>CAPITAL COSTS</u>			
Salaries & Wages	29,390	28,667	30,009
Contract Work	379,093	442,324	453,397
Consulting Engineers	45,626	54,851	57,814
All Other	<u>196,090</u>	<u>164,456</u>	<u>144,289</u>
TOTAL COSTS	<u>650,199</u>	<u>690,298</u>	<u>685,509</u>
Funds Available After Current Construction	<u><u>\$ (86,424)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

**FY'18 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	\$ 447,366	\$ 195,878	\$ 235,523	\$ 15,965
Systems Reconstruction Program	175,070	111,956	63,114	-
Engineering Support Program	14,000	9,240	4,760	-
Energy Performance Program	18,189	5,125	13,064	-
Other Capital Projects	30,194	20,246	6,593	3,355
General Construction - Local Lines	<u>690</u>	<u>-</u>	<u>-</u>	<u>690</u>
TOTAL	<u><u>\$ 685,509</u></u>	<u><u>\$ 342,445</u></u>	<u><u>\$ 323,054</u></u>	<u><u>\$ 20,010</u></u>

*Operating costs are not included.

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

**FY'18 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'18 TOTAL</u>
<u>MONTGOMERY COUNTY</u>						
W-3.02	Olney Standpipe Replacement	\$ -	\$ 328	\$ 3,211	\$ 531	\$ 4,070
W-46.14	Clarksburg Area Stage 3 Water Main, Parts 1, 2, & 3	-	475	1,129	241	1,845
W-46.15	Clarksburg Elevated Water Storage Facility	-	93	2,760	428	3,281
W-46.24	Clarksburg Area Stage 3 Water Main, Part 4	-	68	427	74	569
W-46.25	Clarksburg Area Stage 3 Water Main, Part 5	-	165	1,108	191	1,464
W-90.04	Brink Zone Reliability Improvements	-	600	3,200	480	4,280
W-138.02	Shady Grove Standpipe Replacement	-	317	4,416	473	5,206
<u>MONTGOMERY COUNTY SUBTOTALS</u>		\$ -	\$ 2,046	\$ 16,251	\$ 2,418	\$ 20,715
<u>BI-COUNTY</u>						
W-73.19	Potomac WFP Outdoor Substation No. 2 Replacement	\$ -	\$ 105	\$ 1,030	\$ 113	\$ 1,248
W-73.21	Potomac WFP Corrosion Mitigation	-	40	650	70	760
W-73.22	Potomac WFP Pre-Filter Chlorination & Air Scour Improvements	-	824	8,241	907	9,972
W-73.30	Potomac WFP Submerged Channel Intake	-	1,450	-	73	1,523
W-73.32	Potomac WFP Main Zone Pipeline	-	400	8,240	864	9,504
W-73.33	Potomac WFP Consent Decree Program	400	2,000	4,000	600	7,000
W-127.01	Bi-County Water Tunnel	-	673	120	40	833
W-139.02	Duckett & Brighton Dam Upgrades	-	1,175	8,528	970	10,673
W-161.01	Large Diameter Water Pipe & Large Valve Rehabilitation Program	-	4,553	34,972	1,976	41,501
W-172.05	Patuxent WFP Phase II Expansion	-	1,730	6,800	426	8,956
W-172.07	Patuxent Raw Water Pipeline	-	200	3,600	380	4,180
W-172.08	Rocky Gorge Pump Station Upgrade	-	900	6,000	690	7,590
W-202.00	Land & Rights-of-Way Acquisition - Bi-County Water	2,375	-	-	-	2,375
<u>BI-COUNTY SUBTOTALS</u>		\$ 2,775	\$ 14,050	\$ 82,181	\$ 7,109	\$ 106,115

**FY'18 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'18 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	-	374	7,480	786	8,640
W-34.03	Water Transmission Improvements 385B Pressure Zone	-	150	12,000	1,215	13,365
W-34.04	Branch Avenue Water Transmission Improvements	-	50	12,800	754	13,604
W-34.05	Marlboro Zone Reinforcement Main	-	5	2,300	346	2,651
W-62.05	Clinton Zone Water Storage Facility Implementation	-	150	4,300	470	4,920
W-65.10	St. Barnabas Elevated Tank Replacement	-	181	3,927	616	4,724
W-84.02	Ritchie Marlboro Road Transmission Main & PRV	-	10	5,150	516	5,676
W-84.03	Smith Home Farms Water Main	-	62	294	53	409
W-84.04	Westphalia Town Center Water Main	-	60	203	39	302
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	-	7	46	8	61
W-105.01	Marlton Section 18 Water Main, Lake Marlton Avenue	-	39	297	50	386
W-111.05	Hillmeade Road Water Main	-	30	2,678	406	3,114
W-119.01	John Hanson Highway Water Main, Part 1	-	300	5,700	600	6,600
W-120.14	Villages of Timothy Water Main, Part 1	-	1	23	4	28
W-120.15	Villages of Timothy Water Main, Part 2	-	5	51	8	64
W-120.16	Villages of Timothy Water Main, Part 3	-	3	45	7	55
W-123.14	Old Marlboro Pike Water Main	-	16	160	26	202
W-123.20	Oak Grove/Leeland Roads Water Main, Part 2	-	20	2,000	302	2,322
W-137.02	South Potomac Supply Improvement, Phase 1	-	10	20	2	32
W-137.03	South Potomac Supply Improvement, Phase 2	-	975	-	49	1,024
W-147.00	Collington Elevated Water Storage Facility	-	21	100	13	134
<u>PRINCE GEORGE'S COUNTY SUBTOTALS</u>		<u>\$ -</u>	<u>\$ 3,935</u>	<u>\$ 61,395</u>	<u>\$ 6,690</u>	<u>\$ 72,020</u>
<u>GRAND TOTAL WATER PROJECTS</u>		<u>\$ 2,775</u>	<u>\$ 20,031</u>	<u>\$ 159,827</u>	<u>\$ 16,217</u>	<u>\$ 198,850</u>

**FY'18 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'18 TOTAL</u>
<u>MONTGOMERY COUNTY</u>						
S-25.03	Twinbrook Commons Sewer	\$ -	\$ 12	\$ 75	\$ 13	\$ 100
S-25.04	Mid-Pike Plaza Sewer Main, Phase 1	-	9	103	17	129
S-25.05	Mid-Pike Plaza Sewer Main, Phase 2	-	254	2,529	417	3,200
S-84.47	Clarksburg Triangle Outfall Sewer, Part 2	-	15	512	79	606
S-84.60	Cabin Branch Wastewater Pumping Station	-	50	1,155	120	1,325
S-84.61	Cabin Branch WWPS Force Main	-	28	100	19	147
S-84.65	Tapestry Wastewater Pumping Station	-	50	235	43	328
S-84.66	Tapestry WWPS Force Main	-	-	32	5	37
S-84.67	Milestone Center Sewer Main	-	120	300	63	483
S-84.68	Clarksburg Wastewater Pumping Station	-	252	-	38	290
S84.69	Clarksburg WWPS Force Main	-	87	-	13	100
S-85.21	Shady Grove Station Sewer Augmentation	-	11	1,046	159	1,216
S-103.16	Cabin John Trunk Sewer Relief	-	186	5,259	817	6,262
<u>MONTGOMERY COUNTY SUBTOTALS</u>		\$ -	\$ 1,074	\$ 11,346	\$ 1,803	\$ 14,223
<u>BI-COUNTY</u>						
S-22.06	Blue Plains WWTP: Liquid Train Projects, Part 2	\$ -	\$ 2,819	\$ 10,205	\$ 130	\$ 13,154
S-22.07	Blue Plains WWTP: Biosolids Management, Part 2	-	554	1,978	25	2,557
S-22.09	Blue Plains WWTP: Plant-wide Projects	-	2,743	4,208	70	7,021
S-22.10	Blue Plains WWTP: Enhanced Nutrient Removal	-	8,462	19,874	283	28,619
S-22.11	Blue Plains: Pipelines & Appurtenances	-	2,536	10,262	128	12,926
S-103.02	Piscataway WWTP Bio-Energy Project	-	3,550	250	190	3,990
S-170.08	Septage Discharge Facility Planning & Implementation	-	500	1,792	229	2,521
S-170.09	Trunk Sewer Reconstruction Program	-	27,900	107,700	13,300	148,900
S-203.00	Land & Rights-of-Way Acquisition - Bi-County Sewer	95	-	-	-	95
<u>BI-COUNTY SUBTOTALS</u>		\$ 95	\$ 49,064	\$ 156,269	\$ 14,355	\$ 219,783

**FY'18 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'18 TOTAL</u>
<u>PRINCE GEORGE'S COUNTY</u>						
S-27.08	Westphalia Town Center Sewer Main	\$ -	\$ 18	\$ 88	\$ 16	\$ 122
S-28.18	Konterra Town Center East Sewer	-	57	380	66	503
S-43.02	Broad Creek WWPS Augmentation	-	1,489	15,468	848	17,805
S-57.92	Western Branch Facility Upgrade	-	400	1,500	95	1,995
S-57.94	Western Branch WWTP Incinerator Emissions Control	-	1,321	7,402	872	9,595
S-68.01	Landover Mall Redevelopment	-	74	452	79	605
S-75.19	Brandywine Woods Wastewater Pumping Station	-	12	44	9	65
S-75.20	Brandywine Woods WWPS Force Main	-	5	28	5	38
S-75.21	Mattawoman WWTP Upgrades	-	-	3,633	-	3,633
S-86.19	Karington Subdivision Sewer	-	3	150	23	176
S-96.14	Piscataway WWTP Facility Upgrades	-	3,742	2,918	333	6,993
S-131.05	Pleasant Valley Sewer Main, Part 2	-	51	284	50	385
S-131.07	Pleasant Valley Sewer Main, Part 1	-	105	722	124	951
S-131.10	Fort Washington Forest No. 1 WWPS Augmentation	-	234	1,044	192	1,470
<u>PRINCE GEORGE'S COUNTY SUBTOTALS</u>		<u>\$ -</u>	<u>\$ 7,511</u>	<u>\$ 34,113</u>	<u>\$ 2,712</u>	<u>\$ 44,336</u>
<u>GRAND TOTAL SEWER PROJECTS</u>		<u>\$ 95</u>	<u>\$ 57,649</u>	<u>\$ 201,728</u>	<u>\$ 18,870</u>	<u>\$ 278,342</u>

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 2014	FY 2015	FY 2016	FY 2017	FY 2018
100 (36,500 GAL/YR) 3/4" Residential Meter	\$ 377.61	\$ 395.86	\$ 443.51	\$ 478.10	\$ 490.87
137 (50,005 GAL/YR) 3/4" Residential Meter	501.05	526.05	575.05	613.55	631.05
500 (182,500 GAL/YR) 3/4" Residential Meter	2,819.83	2,973.13	3,046.33	3,159.75	3,265.60
1,000 (365,000 GAL/YR) 2" Meter	6,073.20	6,394.40	6,730.45	7,286.60	7,512.90
5,000 (1,825,000 GAL/YR) 3" Meter	30,389.25	32,031.75	33,408.00	35,527.00	36,676.75
10,000 (3,650,000 GAL/YR) 6" Meter	63,180.50	66,611.50	69,466.50	73,967.60	76,340.00

Annual customer bills include the Account Maintenance Fee shown on page 8-3 and the Infrastructure Investment Fee shown on page 8-4.

**WASHINGTON SUBURBAN SANITARY COMMISSION
WATER AND SEWER RATE SCHEDULE**

APPROVED FOR IMPLEMENTATION JULY 1, 2017

Average Daily Consumption by Customer Unit During Billing Period (Gallons Per Day)	Water Rates Per 1,000 Gallons		Sewer Rates Per 1,000 Gallons		Combined Water & Sewer Rates Per 1,000 Gallons	
	Effective		Effective		Effective	
	July 1, 2016	July 1, 2017	July 1, 2016	July 1, 2017	July 1, 2016	July 1, 2017
0-49	\$ 3.38	\$ 3.53	\$ 4.30	\$ 4.42	\$ 7.68	\$ 7.95
50-99	3.78	3.95	5.03	5.17	8.81	9.12
100-149	4.18	4.37	5.85	6.01	10.03	10.38
150-199	4.67	4.88	6.76	6.95	11.43	11.83
200-249	5.46	5.71	7.36	7.56	12.82	13.27
250-299	5.92	6.19	7.97	8.19	13.89	14.38
300-349	6.27	6.55	8.50	8.74	14.77	15.29
350-399	6.53	6.83	8.92	9.16	15.45	15.99
400-449	6.78	7.09	9.12	9.37	15.90	16.46
450-499	6.98	7.29	9.40	9.66	16.38	16.95
500-749	7.10	7.42	9.60	9.86	16.70	17.28
750-999	7.27	7.60	9.81	10.08	17.08	17.68
1,000-3,999	7.41	7.75	10.23	10.51	17.64	18.26
4,000-6,999	7.58	7.92	10.46	10.75	18.04	18.67
7,000-8,999	7.68	8.03	10.62	10.91	18.30	18.94
9,000 & Greater	7.81	8.16	10.90	11.20	18.71	19.36

Flat Rate Sewer Charge - \$108.00 per quarter

ACCOUNT MAINTENANCE FEES

APPROVED FOR IMPLEMENTATION JULY 1, 2017

Meter Size	Approved FY'17 Quarterly Charges	Approved FY'18 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, 2017

<u>Meter Size</u>	Approved FY'17 Quarterly Charges	Approved FY'18 Quarterly Charges
<u>Small Meters</u>		
5/8"	\$ 11.00	\$ 11.00
3/4"	12.00	12.00
1"	14.00	14.00
 <u>Large Meters</u>		
1-1/2"	90.00	90.00
2"	185.00	185.00
3"	585.00	585.00
4"	813.00	813.00
6"	1,265.00	1,265.00
8"	2,845.00	2,845.00
10"	4,425.00	4,425.00
 <u>Fire Service Meters</u>		
4"	499.00	499.00
6"	616.00	616.00
8"	2,524.00	2,524.00
10"	2,714.00	2,714.00
12"	5,214.00	5,214.00

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

FY'18 APPROVED FEES AND CHARGES

(Effective July 1, 2017)

APPROVED CHARGE

1. INSPECTION FEES

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

New Single Family Detached Dwellings \$726

New Attached Dwellings (townhouse/multiplex excluding apartments) 726

All Other Residential:

Water/Well Hookup 99

Meter Yoke Inspection (meter only installation) 99

Water Hookup Converting from Well (includes 2 inspections) 198

Sewer/Septic Hookup 99

First Plumbing Fixture 99

Each Additional Fixture 33

SDC Credit Fixture Inspection (per fixture) 33

Minimum Permit Fee 200

Permit Reprocessing Fee 60

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

2nd or 3rd Review (with or without Permit Application)

50 Fixtures or Less 160

51-200 Fixtures 300

Over 200 Fixtures 640

Water/Well Hookup 170

Meter Yoke Inspection (meter only installation) 170

Sewer/Septic Hookup 170

FOG Interceptor 170

First Plumbing Fixture 170

Each Additional Fixture 44

SDC Credit Fixture Inspection (per fixture) 27

Minimum Permit Fee 253

Permit Reprocessing Fee 60

Long Form Permit Refund Fee 253

Long Form Permit Re-Issue Fee 253

FY'18 APPROVED FEES AND CHARGES

(Effective July 1, 2017)

APPROVED CHARGE

2. SITE UTILITY (ON-SITE) REVIEW FEE

Base Fee	\$3,301
Additional Fee per 100 feet	302
Minor (Waived) Site Utility (On-Site) Fee	874

3. LICENSE FEES FOR THE REGULATED TRADES

Reciprocal Master Plumber, Gasfitter	
- Initial Registration per type	93/2 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

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FY'18 APPROVED FEES AND CHARGES

(Effective July 1, 2017)

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)	33/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	4,009/vehicle
800 - 2,999 Gallons	11,434/vehicle
3,000 Gallons and Up	27,120/vehicle
January through June	50% of fee
Transfer and/or Replacement Permit Sticker	93
Industrial/Special Waste Disposal Fee	325/1,000 gallons
Zero Discharge Permit Fee	93
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	54.00/1,000 gallons of truck capacity
8. LONG FORM PERMIT TRANSFER FEE	152
9. SMALL METER REPLACEMENT FEE (at Customer Request)	211
10. METER REPLACEMENT FEE (Damaged or Stolen Meter)	
5/8" Encoder (outside)	150
5/8" Encoder	150
3/4" Encoder (outside)	151
3/4" Encoder	160
1" Encoder (outside)	196
1" Encoder	198
1-1/2"	750
2" Standard	1,100
3" Compound	3,190

FY'18 APPROVED FEES AND CHARGES

(Effective July 1, 2017)

	<u>APPROVED CHARGE</u>
4" Compound	\$3,960
6" Compound	5,830
2" MVR	1,210
3" MVR	2,239
4" MVR	3,207
6" MVR	4,921
4" FM w/2" MVR	8,239
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"	253
1-1/2"	424
2" and up	473
12. SUB-METER INSTALLATION FEES	
One-time Sub-Meter Charge - Small	261
One-time Sub-Meter Charge - Large	528
One-time Inspection Fee	50
Minimum Permit Inspection Fee	200
13. TAPPER LICENSE FEE	
Permit Fee	363
Duplicate Fee	33
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	376
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)	49
2 Weeks or Less (3" meter)	130
Over 2 Weeks (3/4" and 3" meters)	159

FY'18 APPROVED FEES AND CHARGES

(Effective July 1, 2017)

APPROVED CHARGE

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	77
Small Meter Turn-On	77
Large Meter Turn-Off	203
Large Meter Turn-On	214
17. FEASIBILITY REVIEW FEE (NON-SEP)	
Feasibility Review & Report Fee Deposit	
(can be deferred as deficit when extension is completed)	9,377
Feasibility Submission Fee (Non-Refundable)	1,512
18. INDUSTRIAL DISCHARGE CONTROL PROGRAM FEES BY CATEGORY	
Industrial users subject to Categorical Pretreatment Standards	
(less than 5,000 gpd) (double visit)	4,020
Industrial users subject to Categorical Pretreatment Standards	
(greater than 5,000 gpd) (double visit)	6,160
Non-Discharging Categorical Industries (zero discharge)	1,083

FY'18 APPROVED FEES AND CHARGES

(Effective July 1, 2017)

	<u>APPROVED CHARGE</u>
Significant Industrial User (less than 25,000 gpd) (single visit – priority pollutant sampling)	\$4,020
Significant Industrial User (greater than 25,000 gpd) (double visit – priority pollutant sampling)	6,160
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	44
SEP Construction General Conditions & Standard Specifications	44
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)	91
22. CALL BACK FEE (large meters, plumbers)	198
23. MISSED APPOINTMENT FEE	
First Missed Appointment or Turn-On	88
Each Additional Missed Appointment	110

FY'18 APPROVED FEES AND CHARGES

(Effective July 1, 2017)

	<u>APPROVED CHARGE</u>
24. PATUXENT WATERSHED CIVIL CITATION FEE (STATE MANDATED)	
First offense	\$150
Each additional offense within calendar year	300
25. CONNECTION REDEMPTION FEE	38
26. CONNECTION ABANDONMENT FEE	
County Roads (Except Arterial Roads) - Water	1,452
County Roads (Except Arterial Roads) - Sewer	1,847
State Roads and County Arterial Roads - Water	1,760
State Roads and County Arterial Roads - Sewer	2,200
27. FIRE HYDRANT INSPECTION FEE	121/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 CERTIFICATION SESSION FEE	66/session, per participant
30. FEE FOR SALE OF EROSION AND SEDIMENT CONTROL FIELD GUIDE	10
31. 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'18 APPROVED FEES AND CHARGES

(Effective July 1, 2017)

APPROVED CHARGE

32. 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)
<p>(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.)</p>	
33. DISHONORED CHECK FEE & ELECTRONIC PAYMENT FEE (applies to all dishonored checks and all dishonored electronic payments)	38
34. FIRE HYDRANT FLOW TEST FEE	
No Current Test	645
Current Test	78
35. SHUT DOWN/CHARGE WATER MAIN FEE	995
Shut Down/Complex Water Main Fee	1,864
36. RIGHT-OF-WAY RELEASE REVIEW FEE	995/document
37. FEE FOR REVIEW AND INSPECTION OF SITE WORK POTENTIALLY IMPACTING WSSC PIPELINES	
Simple Review	363
Complex Review	1,895
Inspection	242/inspection
38. FEE FOR WSSC PIPELINE DESIGN MANUAL	90
39. CHLORINATION CONFIRMATION TEST FEE	237/first test
Re-Test or Additional Tests	150/hour
40. METER REINSTALLATION CORRECTION FEE	374
41. SEWER METER MAINTENANCE FEE	10,912/year
Quarterly Calibrations	2,728/quarter

FY'18 APPROVED FEES AND CHARGES

(Effective July 1, 2017)

	<u>APPROVED CHARGE</u>
42. DISCHARGE AUTHORIZATION PERMIT FEE	
Significant Industrial User – Initial Permit	\$4,779/4 years
Significant Industrial User – Renewal	2,343/4 years
Initial zero-discharge CIU Permit	1,815/4 years
Reissued zero-discharge CIU Permit	1,210/4 years
Temporary Discharge Permit (Non – SIU)	4,779
43. SALE OF WSSD LAWS	
Bound Volume	75
Supplements	36
44. PROPERTY INSPECTION FEE	93
45. DESIGN REVIEW	
Development is More than 10 Residential Units or Commercial	6,500
Development is 10 Residential Units or Less	3,250
46. CONSTRUCTION SERVICES FEE	12% of construction bond costs less design review fee
Re-Test or Additional Tests or Inspector Overtime	190/hour
47. SYSTEMS INSPECTION GROUP REVIEW FEE FOR ADDITIONAL REVIEWS OF CONTRACT DOCUMENTS AND AS-BUILTS	190/hour
48. EXTRA REVIEW FEE	
Minor Additional Reviews of Unsigned or Signed Plans (per review)	1,045
Major/Splitting Additional Reviews of Unsigned or Signed Plans (per review)	2,133
Per Site Utility/Minor Utility Additional Signed or Unsigned Plan Review	
Site Utility	1,268
Minor Utility	330
Per Hydraulic Planning Analysis/Systems Planning Forecast Application	
Additional Review of Required Data (per application)	715
49. RIGHT-OF-WAY ACQUISITION REIMBURSEMENT FOR SEP FEE	Actual
50. HYDRAULIC PLANNING ANALYSIS AND SYSTEM PLANNING FORECAST	
Modeling and Re-Modeling Fee - up to 3 parts	1,391
Modeling and Re-Modeling Fee - per part over 3	605/part

FY'18 APPROVED FEES AND CHARGES

(Effective July 1, 2017)

	<u>APPROVED CHARGE</u>
Pressure Sewer Review Fee (per system)	\$319
51. ENVIRONMENTAL SITE REVIEW FEE	
With Database Search Conducted by WSSC	330
With Database Search Submitted by Applicant	250
52. IN-HOUSE DESIGN DEPOSIT	Total estimated design costs
53. PARTIAL RELEASE	1,210
54. OFF-PROPERTY SERVICE CONNECTION REIMBURSEMENT	Prevailing service connection fee
55. SERVICE CONNECTION APPLICATION AND INSPECTION FEE (per permit)	2,178/water and/or sewer connection
56. FACILITIES DESIGN GUIDELINES FEE	30
57. RELOCATION DESIGN REVIEW FEE	6,500
Inspection for MOU Project	600 minimum charge up to 4 hours
58. DISCHARGE FEE – Food Service Establishment (FSE)	
Full Permit FSE	467
Best Management Practices Permit FSE	132
59. LOBBYIST REGISTRATION FEE (STATE MANDATED)	100
60. FEASIBILITY REVIEW FEE FOR ON-SITE TAKEOVER PROJECTS	847
61. 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.)	
62. FEE FOR THE PREPARATION OF HOLD HARMLESS AGREEMENT	929
63. GOVERNMENT REFERRED PLAN REVIEW FEE	
Major Development – Over 10 Units	1,513
Minor Development – 10 or Less Units	726
Re-Review Fee for Major Development	726
Re-Review Fee for Minor Development	363
64. WAREHOUSE RESTOCKING FEE	33

FY'18 APPROVED FEES AND CHARGES

(Effective July 1, 2017)

	<u>APPROVED CHARGE</u>
65. RESIDENTIAL OUTSIDE METER HOUSING UPGRADE/PIPE ALTERATION	\$5,687
66. FEE FOR TRANSCRIBED TAPE OF A HEARING OR MEETING	Prevailing Fee Charged by Court Reporter
67. PRE-SCREEN RE-SUBMISSION FEE	330
68. CROSS CONNECTION FEE	
Test Report Fee (per report)	30
Base Fee for High Hazard Commercial Water Customer (per month)	13
Base Fee for All Other Commercial Water Customer (per month)	7
69. SITE UTILITY INSPECTION FEE	
Base Fee	1,100
Pipeline (per foot)	5.60
70. NAME/TRANSFER OF OWNERSHIP FEE	198
71. PROTEST FILING FEE	605

FY'18 APPROVED FEES AND CHARGES

(Effective July 1, 2017)

	<u>APPROVED CHARGE EFFECTIVE JULY 1, 2016</u>	<u>MAXIMUM ALLOWABLE CHARGE</u>
73. System Development Charge		
Apartment		
Water	\$896	\$1,289
Sewer	1,140	1,643
1-2 toilets/residential		
Water	1,344	1,937
Sewer	1,710	2,461
3-4 toilets/residential		
Water	2,240	3,227
Sewer	2,850	4,105
5 toilets/residential		
Water	3,135	4,517
Sewer	3,991	5,749
6+ toilets/residential (per fixture unit)		
Water	88	128
Sewer	115	167
Non-residential (per fixture unit)		
Water	88	128
Sewer	115	167