



**Washington Suburban
Sanitary Commission**

APPROVED BUDGET

FY 2014

July 1, 2013 – June 30, 2014

Washington Suburban Sanitary Commission

Fiscal Year 2014 Approved Budget

Gene W. Counihan, Chair

Chris Lawson, Vice Chair

Mary Hopkins-Navies, Commissioner

Antonio L. Jones, Commissioner

Adrienne A. Mandel, Commissioner

Dr. Roscoe M. Moore, Jr., Commissioner

ATTEST: Sheila R. Finlayson, Corporate Secretary



**Washington Suburban
Sanitary Commission**

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 ethically and financially responsible manner.

**WASHINGTON SUBURBAN SANITARY COMMISSION
FISCAL YEAR 2014 APPROVED BUDGET**

Table of Contents

Preface 1

BUDGET SUMMARIES

Approved Budget Total - Pie Chart 5

COMPARATIVE EXPENDITURES

By Fund - Table I..... 6

By Major Expense Category - Table II..... 7

FY 2013 – FY 2014 Summary of Revenue & Expenses – Table III 8

Change In Ending Fund Balance – Table IV 9

EXPLANATION OF THE BUDGET - CUSTOMER SUMMARY

I. The Washington Suburban Sanitary Commission..... 1-1

II. Powers and Responsibilities 1-2

III. Fiscal and Service Policies 1-3

IV. Budget Formulation..... 1-7

Budget and Capital Improvements Program Processes - Chart..... 1-9

V. Fund Structure 1-10

VI. Key Provisions 1-12

How Each Dollar Billed Is Spent - Chart 1-14

PERFORMANCE AND OUTCOME MEASURES

Goals of the Washington Suburban Sanitary Commission 2-1

Our Strategic Priorities 2-2

Performance of Key Services..... 2-3

**WASHINGTON SUBURBAN SANITARY COMMISSION
FISCAL YEAR 2014 APPROVED BUDGET**

Table of Contents
(Continued)

Goals, Objectives, and Outcome Measures.....	2-15
Operating Efficiency Measures - Graphs.....	2-40
Workyears Per 1,000 Customer Accounts - Chart.....	2-41
Vehicle Fleet Size Comparison to Pipeline Maintained - Chart.....	2-42
Comparative Statistical Data.....	2-43

ORGANIZATIONAL HIGHLIGHTS

Staff Offices.....	3-1
Engineering and Construction Team.....	3-3
Production Team.....	3-5
Logistics Office.....	3- 6
Finance Office.....	3-7
Customer Care Team.....	3-8
Information Technology Team.....	3-10

ORGANIZATION AND FACILITIES

WSSC Organization Chart.....	4-1
Approved Expenditures by Organizational Unit - Table.....	4-2
Comparative Personnel Complement by Organizational Unit - Table.....	4-3
Facilities Currently in Operation - Table.....	4-4
Salaries and Wages Summary - Table.....	4-5

SELECTED MULTI - YEAR HISTORICAL DATA

Selected Statistical Data - Table.....	5-1
Selected Financial Data - Table.....	5-2
Comparative Statements - Water and Sewer Operating Funds - Table.....	5-3
Capital Budget vs. Actual Expenses - Table.....	5-4

**WASHINGTON SUBURBAN SANITARY COMMISSION
FISCAL YEAR 2014 APPROVED BUDGET**

Table of Contents
(Continued)

OPERATING BUDGET

Operating Funds - Discussion	6-1
Consolidated Statement of Operating Funds, Revenues, and Expenditures - Table	6-7
Operating Budget- By Fund – By Major Expense Category - Pie Chart	6-8
Water Operating - Table	6-9
Sewer Operating - Table	6-10
General Bond Debt Service - Table	6-11

CAPITAL BUDGET

Capital Funds - Discussion	7-1
Capital Budget - Pie Chart	7-4
Capital Expenditures - Pie Chart.....	7-5
Statement of Capital Funds, Income, and Expenditures - Table.....	7-6
Capital Budget Fund and Program Relationship - Table	7-7
FY' 14 Water & Sewerage Project Estimates - Table.....	7-8

RATES

Customer Bills at Various Consumption Levels - Table	8-1
Water and Sewer Rate Schedules - Table	8-2
Account Maintenance Fees - Table.....	8-3
Miscellaneous Fees and Charges - Table	8-4



Washington Suburban Sanitary Commission

14501 Sweitzer Lane Laurel, MD 20707-5901
(301) 206-8000 1(800) 828-6439 TTY: (301) 206-8345 www.wsscwater.com

July 1, 2013

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

Valued Customers and Interested Citizens:

We are pleased to present the Washington Suburban Sanitary Commission's (WSSC's) Approved Budget for Fiscal Year (FY) 2014, which begins on July 1, 2013. The budget was adopted by the Commission on June 19, 2013. This document reflects a total budget of \$1.4 billion, including \$698.8 million for operating expenses and \$742.2 million for capital expenses.

The Commission's commitment to our customers both now and in the future is incorporated in the programs, goals, and objectives included in this budget. This approved budget reflects our continued focus on providing safe and reliable water, returning clean water to the environment, and doing it in an ethically and financially responsible manner.

The Approved Budget calls for a 7.25 percent increase in customer water and sewer bills to address our fiscal challenges including increased debt service costs associated with water and sewer infrastructure improvements, cost increases at regional sewage disposal facilities where WSSC has purchased capacity and reduced revenue from passive conservation. Specifically, the budget provides for:

- Funding the first year of the FYs 2014-2019 Capital Improvements Program;
- Increased funding for the large and small Water and Sewer Reconstruction Programs;
- Complying with the Sanitary Sewer Overflow Consent Decree;
- Inspecting and monitoring our large diameter water main transmission system;
- Promptly paying \$264.9 million in debt service on \$2.2 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;
- Paying the WSSC's share of the cost of operating the District of Columbia Water and Sewer Authority's Blue Plains Wastewater Treatment Plant;
- Funding for employee salary enhancements in a manner coordinated with the Counties;
- 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;
- Continue making recommended safety and access improvements in our watershed;
- Continuing to increase the operating reserve toward our goal of 10% of water and sewer rate revenues; and
- Funding the seventh year of an eight-year ramp-up to achieve full funding of the annual required contribution for non-retirement post-employment benefits based on Government Accounting Standards Board Statement No. 45.

Comparative Expenditures by Fund

	FY'13 Approved	FY'14 Approved	FY'14 Over / (Under) FY'13	% Change
<u>Capital Funds</u>				
Water Supply	\$240,107,000	\$246,702,000	\$6,595,000	2.7 %
Sewage Disposal	527,914,000	475,352,000	(52,562,000)	(10.0)%
General Construction	19,984,000	20,133,000	149,000	0.7 %
Total Capital	788,005,000	742,187,000	(45,818,000)	(5.8)%
<u>Operating Funds</u>				
Water Operating	269,337,000	280,166,000	10,829,000	4.0 %
Sewer Operating	350,941,000	378,252,000	27,311,000	7.8 %
General Bond Debt Service	41,455,000	40,355,000	(1,100,000)	(2.7) %
Total Operating	661,733,000	698,773,000	37,040,000	5.6 %
GRAND TOTAL	\$1,449,738,000	\$1,440,960,000	(\$8,778,000)	(0.6)%

The FY'14 Approved Capital Budget of \$742.2 million represents a decrease of \$45.8 million (-5.8%) from the FY'13 Approved Budget. The changes can be primarily attributed to decreases in the small diameter Sewer Reconstruction Program and two major sewer projects winding down construction in FY'14 (the Blue Plains Advanced Wastewater Treatment Plant Digester and Enhanced Nutrient Removal projects).

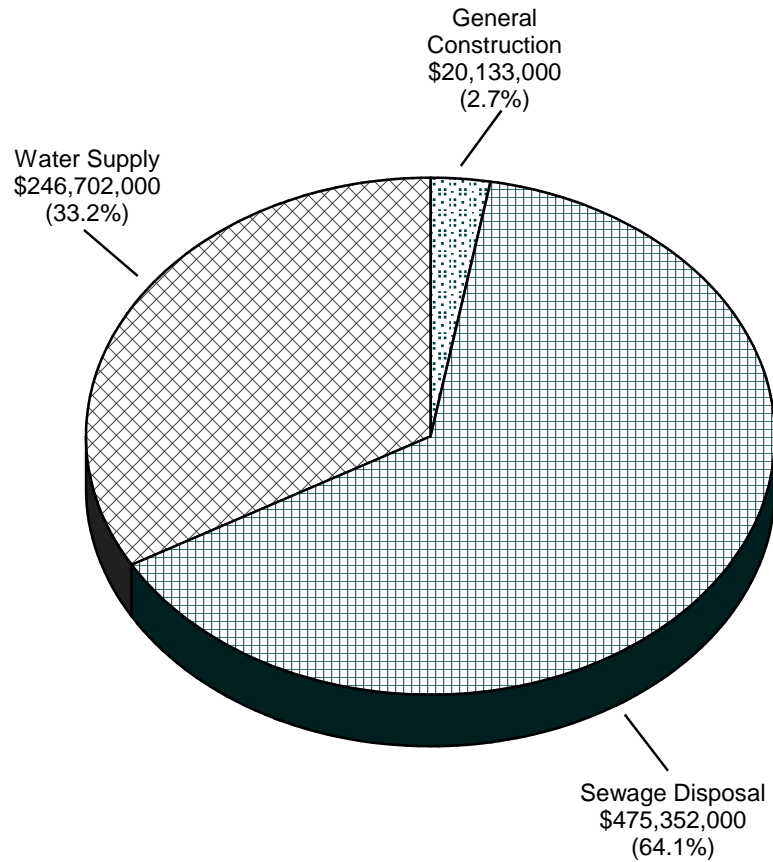
In summary, the FY'14 estimated expenditures for all operating and capital funds total \$1.4 billion or \$8.8 million (0.6%) less than the FY'13 Approved Budget. The FY'14 Approved Operating Budget of \$698.8 million represents an increase of \$37.0 million (5.6%) from the FY'13 Approved Operating Budget. The primary drivers of the increase in operating costs are debt service associated with the Commission's infrastructure needs and PAYGO financing of capital projects as recommended by the Bi-County Infrastructure Funding Working Group. Water and sewer operating debt service costs are expected to exceed FY'13 budgeted debt service by \$14.2 million. Other drivers include cost increases for regional sewage disposal, reduced revenue from passive conservation, expansion of the PCCP and Corrosion Management Programs, an increase in the operating reserve, and new workyears in support of operations and maintenance of the water and sewer systems.

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, a number of new fees and changes in current fees have been approved. A listing of all fees and charges is included in Section 8.

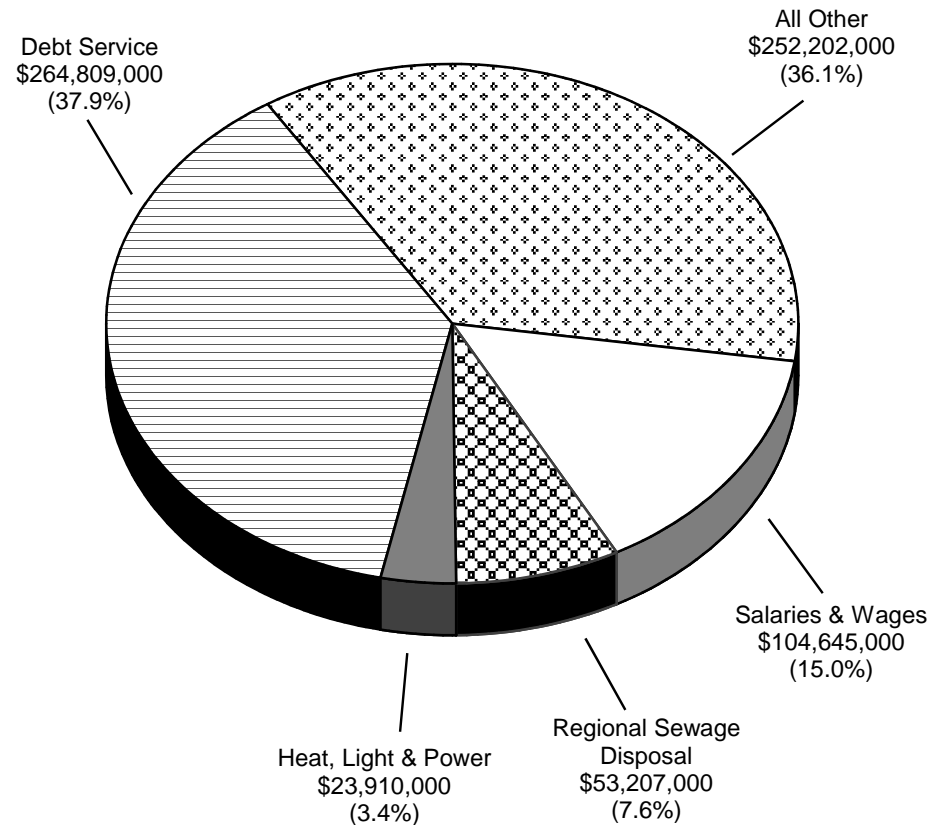
The Approved FY'14 Budget ensures that the WSSC will be able to maintain its commitment to provide safe drinking water, to ensure reliable service, and to safeguard the environment--all in a financially responsible manner. The Commission is proud to continue its tradition of innovation and excellence in serving the citizens of Prince George's and Montgomery Counties, a tradition that has been a hallmark of the WSSC for ninety-five years.

FY 2014 APPROVED BUDGET

CAPITAL = \$742,187,000



OPERATING = \$698,773,000



GRAND TOTAL = \$1,440,960,000

TABLE I

Comparative Expenditures by Fund

	FY'11 Actual	FY'12 Actual	FY'13 Approved	FY'14 Approved	FY'14 Over / (Under) FY'13
Capital Funds					
Water Supply	\$ 104,278,000	\$ 158,078,000	\$ 240,107,000	\$ 246,702,000	\$ 6,595,000
Sewage Disposal	94,308,000	262,507,000	527,914,000	475,352,000	(52,562,000)
General Construction	41,664,000	14,912,000	19,984,000	20,133,000	149,000
Total Capital	<u>240,250,000</u>	<u>435,497,000</u>	<u>788,005,000</u>	<u>742,187,000</u>	<u>(45,818,000)</u>
Operating Funds					
Water Operating	220,332,000	229,538,000	269,337,000	280,166,000	10,829,000
Sewer Operating	264,355,000	289,022,000	350,941,000	378,252,000	27,311,000
General Bond Debt Service	88,417,000	48,424,000	41,455,000	40,355,000	(1,100,000)
Total Operating	<u>573,104,000</u>	<u>566,984,000</u>	<u>661,733,000</u>	<u>698,773,000</u>	<u>37,040,000</u>
GRAND TOTAL	<u>\$ 813,354,000</u>	<u>\$ 1,002,481,000</u>	<u>\$ 1,449,738,000</u>	<u>\$ 1,440,960,000</u>	<u>\$ (8,778,000)</u>

TABLE II

Comparative Expenditures by Major Expense Category

(\$ in Thousands)

<u>Expense Categories</u>	<u>FY'12 Actual</u>			<u>FY'13 Approved</u>			<u>FY'14 Approved</u>		
	<u>Capital</u>	<u>Operating</u>	<u>Total</u>	<u>Capital</u>	<u>Operating</u>	<u>Total</u>	<u>Capital</u>	<u>Operating</u>	<u>Total</u>
Salaries & Wages	\$ 23,575	\$ 89,144	112,719	\$ 23,651	\$ 101,233	\$ 124,884	\$ 23,541	\$ 104,645	\$ 128,186
Heat, Light & Power	-	24,658	24,658	-	24,223	24,223	-	23,910	23,910
Regional Sewage Disposal	-	49,483	49,483	-	51,309	51,309	-	53,207	53,207
Contract Work	190,925	-	190,925	396,985	-	396,985	378,963	-	378,963
Consulting Engineers	51,848	-	51,848	83,267	-	83,267	113,090	-	113,090
All Other	169,149	180,689	349,838	284,002	233,095	517,097	226,493	252,202	478,695
Debt Service	-	223,010	223,010	100	251,873	251,973	100	264,809	264,909
TOTAL	<u>\$ 435,497</u>	<u>\$ 566,984</u>	<u>\$ 1,002,481</u>	<u>\$ 788,005</u>	<u>\$ 661,733</u>	<u>\$ 1,449,738</u>	<u>\$ 742,187</u>	<u>\$ 698,773</u>	<u>\$ 1,440,960</u>

TABLE III

FY 2013 - FY 2014 Summary of Revenue & Expenses

(\$ in Thousands)

	Water Operating Fund		Sewer Operating Fund		General Bond Debt Service Fund		Capital Funds	
	2013 Approved	2014 Approved	2013 Approved	2014 Approved	2013 Approved	2014 Approved	2013 Approved	2014 Approved
REVENUES								
Water Consumption Charges	\$ 240,320	\$ 241,112	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sewer Use Charges	-	-	300,241	329,943	-	-	-	-
Front Foot Benefit & House Connection Charges (Deferred)	-	-	-	-	46,696	37,823	-	-
Account Maintenance Fees	11,425	11,425	11,425	11,425	-	-	-	-
Interest Income	1,500	300	2,500	700	2,424	1,176	-	-
Miscellaneous	9,213	13,380	11,934	10,724	700	700	-	-
Use of Fund Balance								
Reserve Contribution	3,900	5,967	6,300	5,733	-	-	-	-
Other	2,528	7,692	5,800	8,089	11,000	10,500	-	-
Reconstruction Debt Service Offset	-	-	11,000	10,500	(11,000)	(10,500)	-	-
SDC Debt Service Offset	451	290	1,741	1,138	-	-	-	-
Bonds & Notes	-	-	-	-	-	-	576,148	570,121
Anticipated Contributions:								
Federal & State Grants	-	-	-	-	-	-	77,228	60,461
System Development Charge	-	-	-	-	-	-	119,140	90,274
Other	-	-	-	-	-	-	15,489	21,331
TOTAL REVENUES	\$ 269,337	\$ 280,166	\$ 350,941	\$ 378,252	\$ 49,820	\$ 39,699	\$ 788,005	\$ 742,187
EXPENSES								
Salaries & Wages	\$ 52,157	\$ 54,125	\$ 48,472	\$ 49,931	\$ 604	\$ 589	\$ 23,651	\$ 23,541
Heat, Light & Power	12,875	12,718	11,348	11,192	-	-	-	-
Regional Sewage Disposal	-	-	51,309	53,207	-	-	-	-
Contract Work	-	-	-	-	-	-	396,985	378,963
Consulting Engineers	-	-	-	-	-	-	83,267	113,090
Contribution to Required Reserve	3,900	5,967	6,300	5,733	-	-	-	-
All Other	103,848	103,946	118,102	121,688	945	1,086	284,002	226,493
Debt Service	96,557	96,519	115,410	129,610	39,906	38,680	100	100
PAYGO	-	6,891	-	6,891	-	-	-	-
TOTAL EXPENSES	\$ 269,337	\$ 280,166	\$ 350,941	\$ 378,252	\$ 41,455	\$ 40,355	\$ 788,005	\$ 742,187
Net Increase (Decrease) in Fund Balance	-	-	-	-	8,365	(656)	-	-
Fund Balance - July 1	\$ 43,963	\$ 41,435	\$ 67,897	\$ 62,097	\$ 82,706	\$ 80,071	\$ 64,343	\$ 69,333
Net Increase (Decrease) in Fund Balance	-	-	-	-	8,365	(656)	-	-
Use of Fund Balance	(2,528)	(7,692)	(5,800)	(8,089)	(11,000)	(10,500)	(64,343)	(69,333)
Fund Balance - June 30	\$ 41,435	\$ 33,743	\$ 62,097	\$ 54,008	\$ 80,071	\$ 68,915	\$ -	\$ -

TABLE IV

**Change in Ending Fund Balance
FY 2013 Approved Budget Compared to FY 2014 Approved**
(\$ In Thousands)

	FY 2013 Approved Ending Fund Balance	FY 2014 Approved Ending Fund Balance	Change in Fund Balance	% Change
Water Operating Fund	\$ 41,435	\$ 33,743	\$ (7,692)	-18.6%
Sewer Operating Fund	62,097	54,008	(8,089)	-13.0
General Bond Debt Service Fund	80,071	68,915	(11,156)	-13.9
Capital Fund	-	-	-	-
	\$ 183,603	\$ 156,666	\$ (26,937)	-14.7%

Explanation of Changes in Fund Balance Greater Than 10%

Water and Sewer Operating Funds – The FY 2014 approved ending fund balances are lower than the projected FY 2013 ending fund balances for the Water and Sewer Operating funds. A majority of the change is due to a planned use of fund balance to offset a reduction in our budgeted billing factor which is the amount of rate revenue received per 1,000 gallons of water production. Other drivers of the decrease are planned uses of fund balance to finance one-time projects and expenses so that these costs are not permanently built into water and sewer rates.

General Bond Debt Service Fund – The FY 2014 approved ending fund balance is 13.9% lower than the projected FY 2013 ending fund balance for the General Bond Debt Service fund. Revenues for this 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. Paid in full assessments have caused revenues to decrease and, combined with lower interest income expectations, a small portion of fund expenses are not covered.

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:

- What the Commission is,
- 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'14 Budget,
- Where the money comes from, and
- How the monies, including water and sewer bill payments, are spent.

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 10 largest water and sewer utilities in the country encompassing a service area of nearly 1,000 square miles.

To fulfill its primary mission of providing safe and reliable water and returning clean water to the environment, WSSC operates and maintains an extensive array of highly automated facilities. Our two water filtration plants, drawing raw water from the Potomac and Patuxent rivers, are projected to produce an average of 170 million gallons of water per day in FY' 14 and deliver that water to homes and businesses in Montgomery and Prince George's Counties, serving nearly 448,000 customer accounts through a system of nearly 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' 13 the Marlboro Meadows wastewater treatment plant was taken out of service. The plant's flow is now pumped to our Western Branch wastewater treatment plant.) In FY' 14 it is projected that an average of 211 million gallons of wastewater per day from Montgomery and Prince George's Counties will move to these facilities through nearly 5,500 miles of sewer lines maintained by WSSC. The six wastewater treatment plants owned by WSSC have a combined capacity of 89.5 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.
- 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 5 percent of water and sewer use charges to offset unanticipated variations in water and sewerage system revenues that may occur in future years. It is the objective of the Commission to increase this reserve to 10 percent over time.
- 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 in 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 facilities.
- 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.

EXPLANATION OF THE BUDGET

(Continued)

- Finance all retirement plans in a manner that systematically funds liabilities, including current requirements as well as the amortization of unfunded liabilities.
- 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.
- Implement an eight-year phased-in funding schedule for Post-Employment Benefits Other Than Pensions (OPEB) so that full funding of the Annual Required Contribution is achieved beginning in FY' 15. All WSSC OPEB contributions are deposited into an irrevocable OPEB trust established for this purpose.
- In accordance with a Bi-County Working Group recommendation, utilize a portion of the debt service differential associated with a change from 20-year to 30-year debt for PAYGO financing of capital projects.

Long-Term Service Policies

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

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

EXPLANATION OF THE BUDGET

(Continued)

Short-Term Fiscal and Service Policies

Short-term policies are specific to the budget year. They address key issues and concerns that frame the task of preparing a balanced budget that achieves Commission priorities within the context of current and expected economic and political realities. The General Manager and the Commission adopted the following key policies in preparing the FY'14 Budget.

- Forecast FY'14 water production conservatively at 170.0 million gallons per day.
- Propose a 7.25 percent average increase in water and sewer rates for FY'14.
- Increase the budget by 24 workyears to support critical programs and enhance customer service.
- Continue to address the WSSC's aging infrastructure by proposing the following:
 - ▶ Rehabilitation of 51 miles (269,000 feet) of water main.
 - ▶ Inspection and repair of 18 miles (95,000 feet) of Prestressed Concrete Cylinder Pipe (PCCP).
 - ▶ Acoustical fiber optic monitoring of 81 miles (427,700 feet) of PCCP.
 - ▶ Expansion of the Trunk Sewer Reconstruction Program.
 - ▶ Inspection of 5 miles (26,400 feet) of large diameter sewer mains.
- Commence implementation of Continuity of Operations Plans.
- Ensure adequate funding for regulatory compliance requirements.
- Utilize \$11.7 million of fund balance to continue increasing the operating reserve to 10 percent of water and sewer rate revenues.
- Continue implementing the Enterprise Resource Planning/Enterprise Asset Management System project.
- Justify all additional, reinstated, and expanded programs.
- Continue to implement the eight year phase-in of the annual required contribution for funding costs of other post-employment benefits in accordance with Governmental Accounting Standards Board Statement No. 45.

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'14 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.

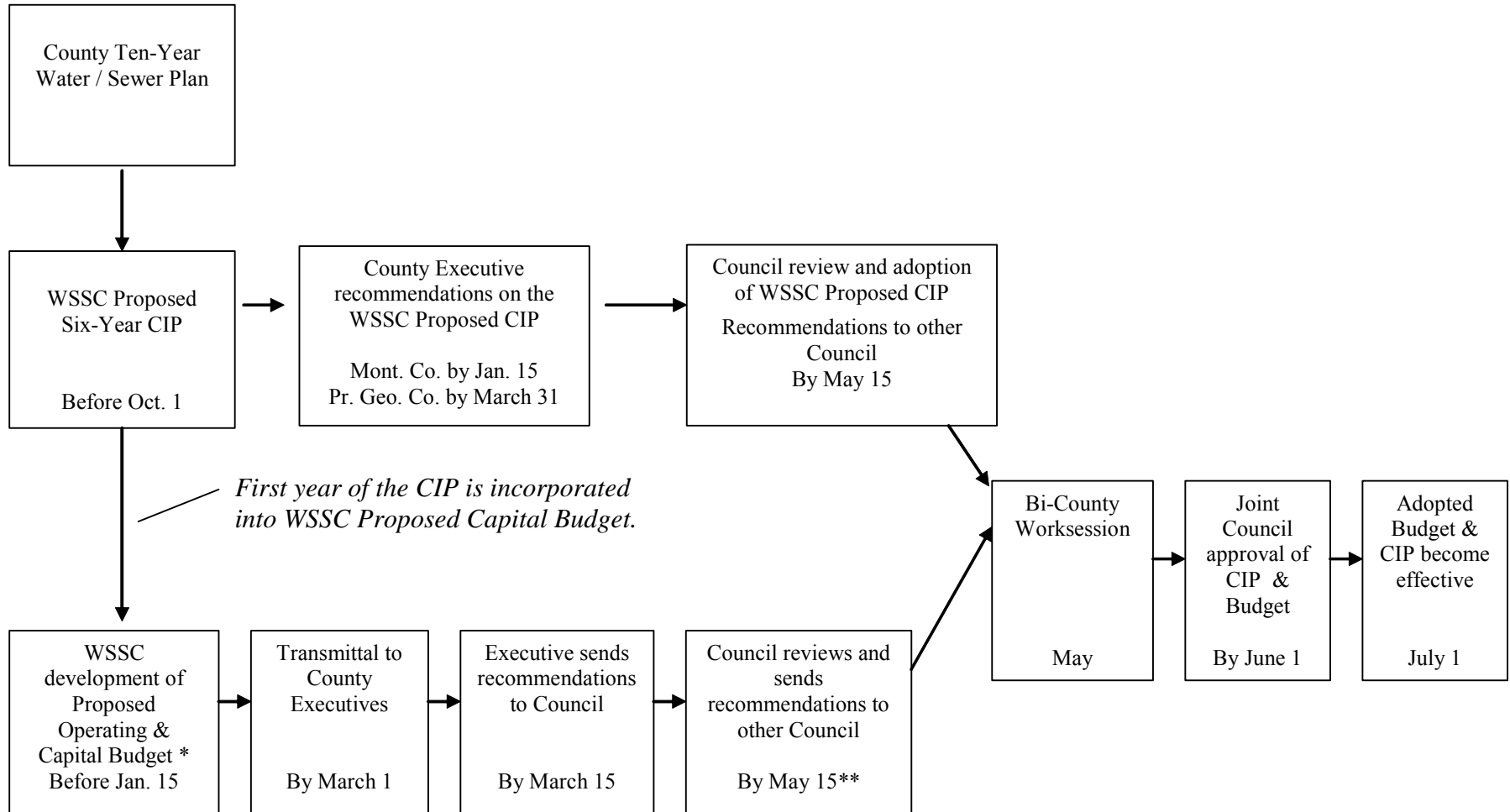
Preparation of the proposed Operating Budget requires integrating several other planning efforts with the budget formulation process. The annual spending affordability review, undertaken jointly with Montgomery and Prince George's Counties, uses a six-year financial model to examine the impacts and affordability 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'14 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'14 BUDGET

The total approved budget for all funds is \$1.4 billion—\$742.2 million in capital and \$698.8 million in operating. A 7.25 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 2014-2019 Capital Improvements Program;
- Treating and delivering 170.0 MGD of water to over 447,000 customer accounts in a manner that meets or exceeds the Safe Drinking Water Act standards;
- Treating 211.0 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;
- Continuing to increase the operating reserve to 10% of water and sewer rate revenues;
- Paying debt service of \$264.9 million—of which \$226.1 million is in the Water and Sewer Operating Funds;
- Increasing the Water and Trunk Sewer Reconstruction Programs;
- Funding the seventh year of an eight-year ramp-up to achieve full funding of the annual required contribution for post-employment benefits other than retirement based on Government Accounting Standards Board Statement No. 45;
- Continuing to provide maintenance services at a level consistent with the objective of responding to the customer within 2 hours of receiving notification of a maintenance problem and restoring service to the customer within 24 hours from the time a service interruption occurs;
- Complying with the Sanitary Sewer Overflow Consent Order;
- Answering at least 95 percent of all customer billing calls received;
- Maintaining and fueling 947 vehicles, maintaining approximately 676 pieces of large field equipment, and operating 6 repair facilities;

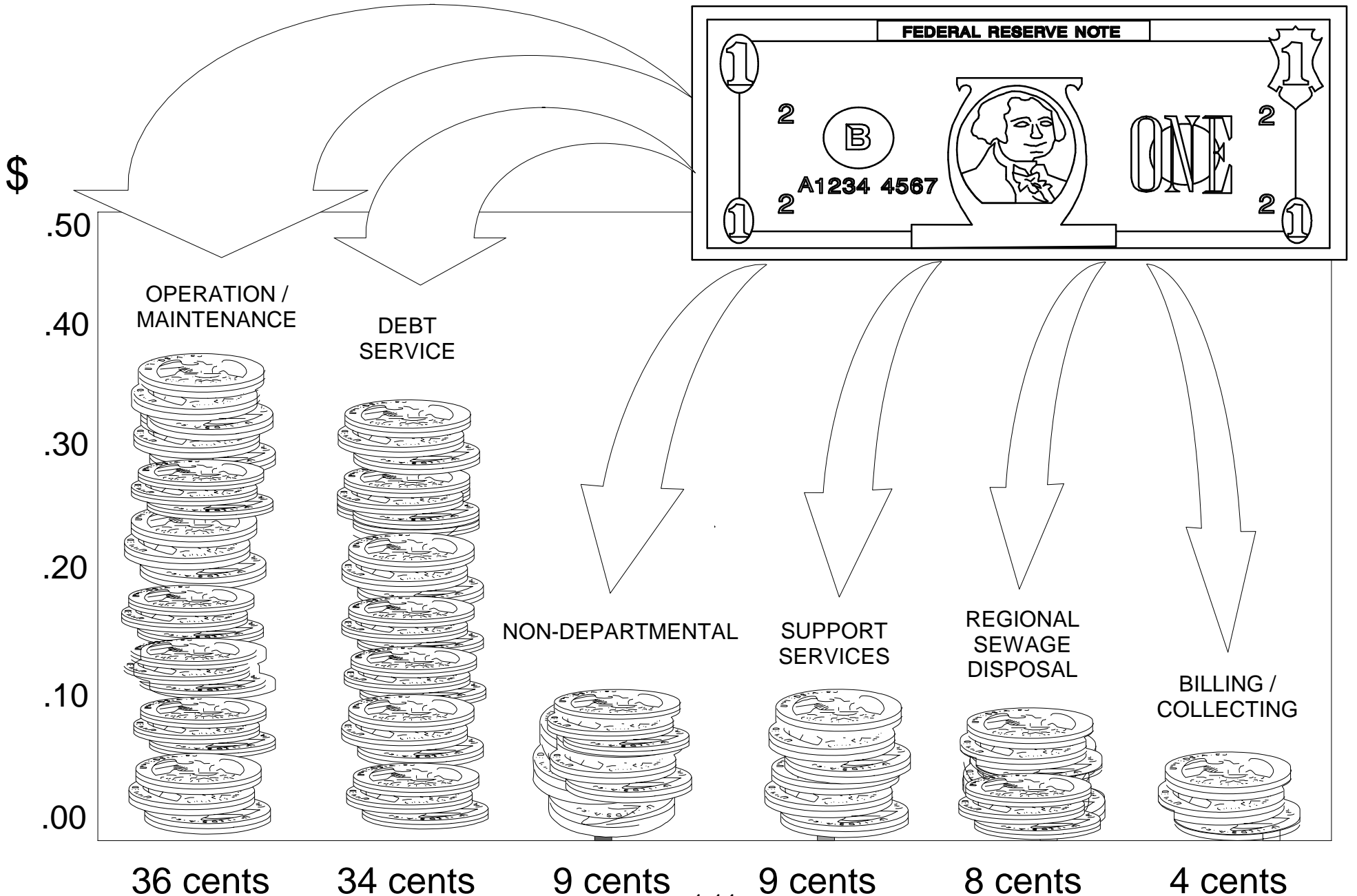
EXPLANATION OF THE BUDGET

(Continued)

- Replacing 15 pieces of major equipment which are needed to support construction, operations, and maintenance activities;
- Replacing 124 and purchasing an additional 10 vehicles which are needed to support construction, operations, and maintenance activities; and
- Funding employee salary enhancements in a manner coordinated with the Counties, and continuing other benefits.

FY'14 APPROVED BUDGET

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



PERFORMANCE AND OUTCOME MEASURES

SECTION 2

GOALS OF THE WASHINGTON SUBURBAN SANITARY COMMISSION

- To provide value to our customers by furnishing high quality products and services at the lowest possible price.
- To provide safe drinking water that meets or exceeds all state and federal standards.
- To ensure that wastewater is treated and returned to our rivers and streams in a manner that meets or exceeds all state and federal standards.
- To ensure that all Commission programs and operations, including the responsible management of biosolids and other byproducts of water and wastewater treatment, are conducted in an environmentally sound manner.
- To proactively ensure the reliable operation of the WSSC's water and wastewater treatment and distribution/collection facilities, and to respond to any service interruptions in a timely and effective manner.
- To plan, design, and construct new, expanded, or improved facilities to ensure reliable service for current and future customers when, and as, needed.
- To treat our customers and the general public with courtesy, sensitivity, and respect, while remaining responsive to their needs and concerns.
- To operate in a financially responsible manner while balancing the need to minimize expenditures and the burden on ratepayers; to fairly apportion costs between current customers, future customers, and those responsible for growth; and to ensure the long-term fiscal stability and soundness of the organization.
- To recruit and employ a diverse work force—representative of the public we serve—at all levels of the organization.
- To empower our work force by eliciting and using their ideas, expertise, and creativity, while being sensitive and responsive to their concerns.
- To encourage innovation and excellence in all phases of operations, administration, and management to ensure that the WSSC continues to be a pioneer in the field.
- To assume a leadership role in working with our community to address issues of mutual concern.

OUR STRATEGIC PRIORITIES

Our primary methods and approaches to meeting our challenge and achieving our Mission and Vision

- **Infrastructure:** Plan, renew, and sustain our infrastructure to meet customer expectations through innovative, cost-effective technology and world class asset management practices.
- **Financial Stability:** Practice sound financial stewardship that ensures delivery of the best quality water and wastewater treatment services to our customers at a reasonable cost with affordable rates.
- **Workforce Management:** Sustain a high-performing workplace that attracts and retains diverse, flexible, and knowledgeable employees focused on service excellence.
- **Procurement:** Ensure operational efficiency and reliable service to customers and all stakeholders through transparent, equitable, and responsible procurement practices which enhance the community we serve.
- **Customer Service:** Ensure customer confidence through the delivery of timely, high quality products and services to internal and external customers.
- **Security and Safety:** Protect our people, our business, and our community through proactive planning, emergency preparedness, and utilization of effective risk management.
- **Communications and Stakeholder Relationships:** Proactively communicate and maintain strategic partnerships and community relationships with key stakeholders and jurisdictions in support of our mission.
- **Environmental Stewardship:** Promote safe and responsible stewardship of our water, air, and land using efficient and effective business practices and technology.

PERFORMANCE OF KEY SERVICES

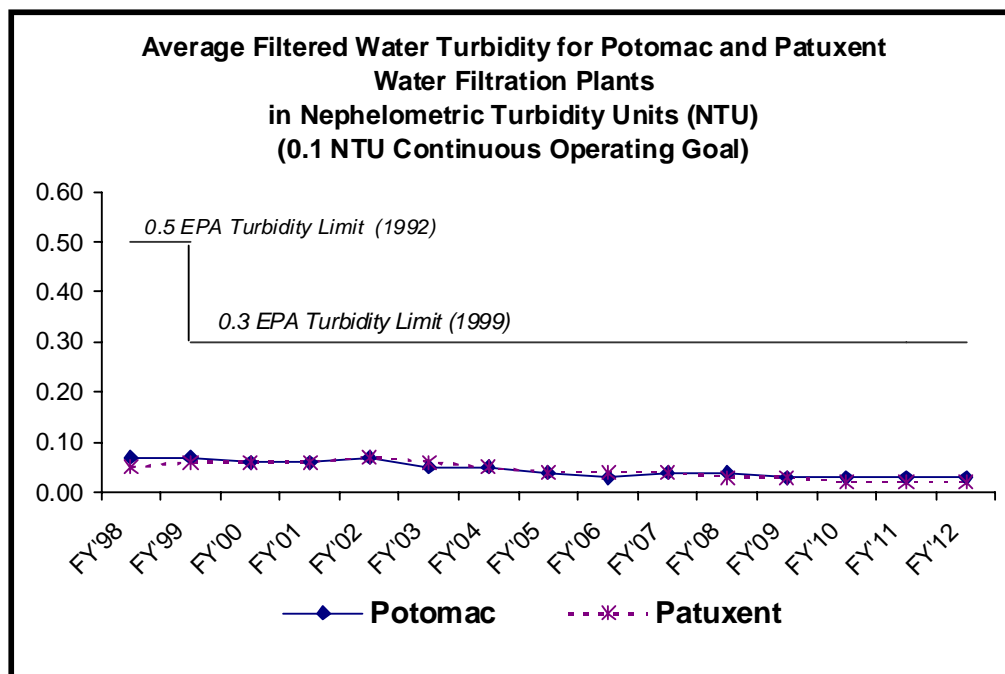
Water Filtration and Treatment

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 allowable contaminant level (MCL) established by the U.S. Environmental Protection Agency (EPA) in accordance with the Safe Drinking Water Act.

In addition to traditional approaches to ensuring drinking water quality, the WSSC continues to place particular emphasis on addressing low-level contaminants such as trihalomethanes, and low levels of turbidity (suspended sediment). Evidence continues to mount that even very low concentrations of

some contaminants potentially have negative health effects. The Commission continues to work closely with local and national professional organizations, as well as with state and county agencies and the EPA, to ensure that, within fiscal constraints, our treatment methods are effective and consistent with current research findings.

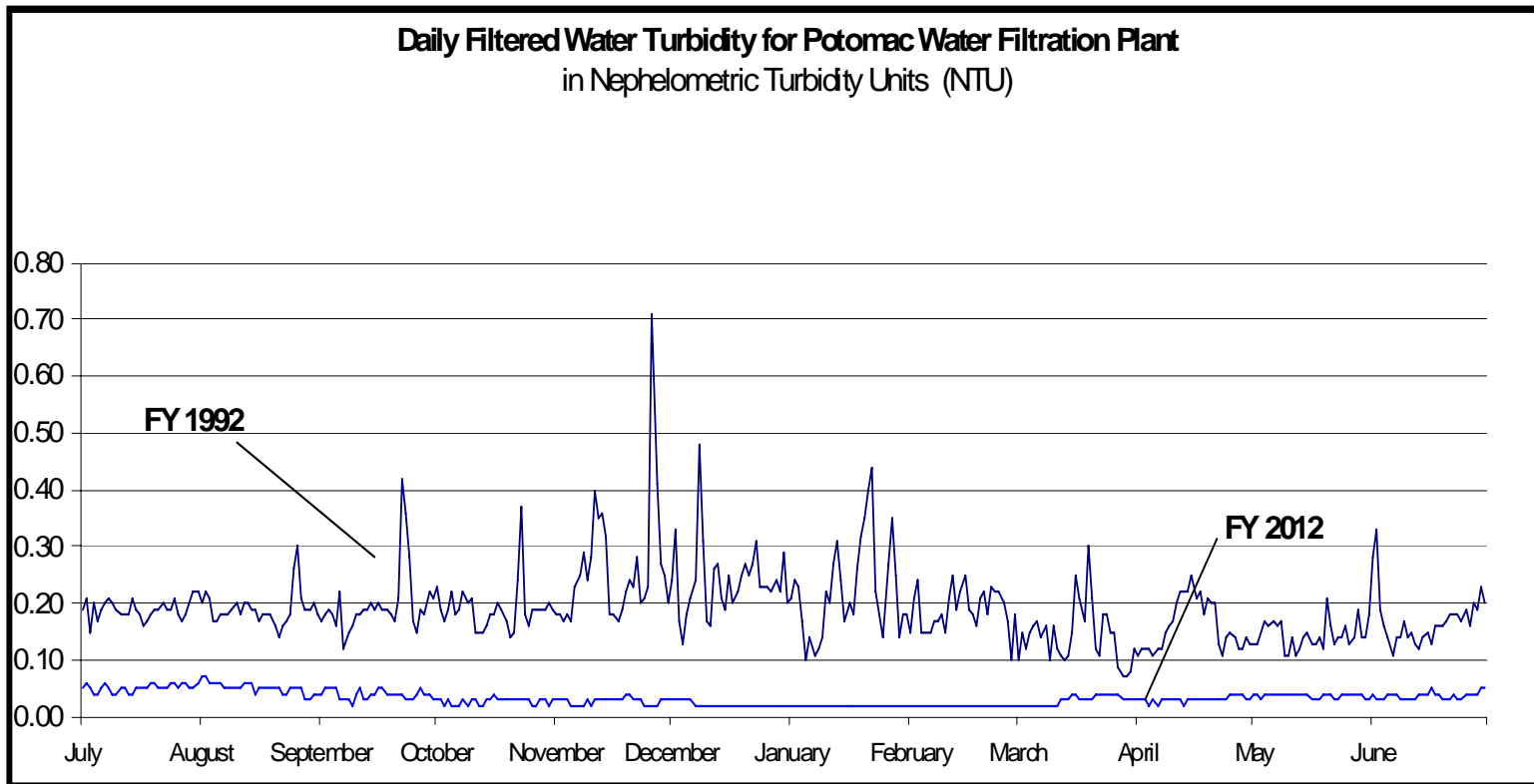
The WSSC's continued participation in the Partnership for Safe Water Program is indicative of our commitment. A primary goal of this program is to maintain filtered water turbidity below EPA established limits to effectively guard against cryptosporidium. In FY'92, although the WSSC was already meeting the then newly-established maximum average monthly turbidity requirement of 0.5 NTU, a substantial effort was made to further improve water quality to prevent emerging problems associated with cryptosporidium. The graph above shows the average turbidity for the Potomac and Patuxent Water Filtration Plants for FY'98 through FY'12. The EPA reduced the turbidity limit to 0.3 NTU in 1999, still well above the levels being achieved by the WSSC. A maximum of 0.1 NTU water turbidity level is now and will continue to be a key objective for the WSSC's Production Team.



PERFORMANCE OF KEY SERVICES

(Continued)

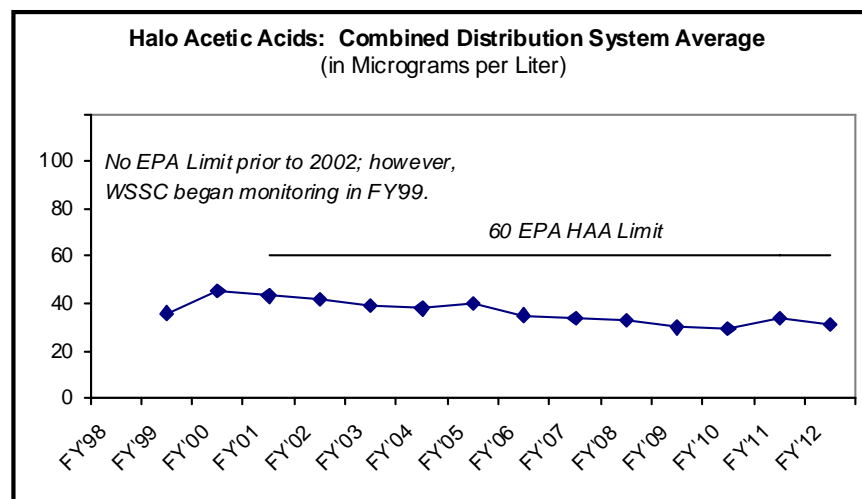
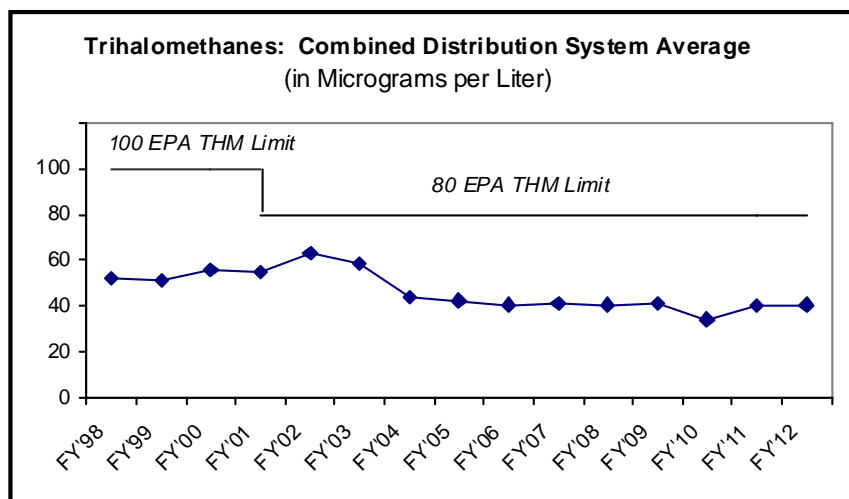
Not only has average turbidity been reduced, but also, as shown in the graph below for the Potomac Water Filtration Plant, the magnitudes of the daily peaks associated with variable raw water quality have been substantially reduced from FY'92 peak levels. This latter measure is of particular importance in ensuring the reliability of the cryptosporidium barrier.



PERFORMANCE OF KEY SERVICES

(Continued)

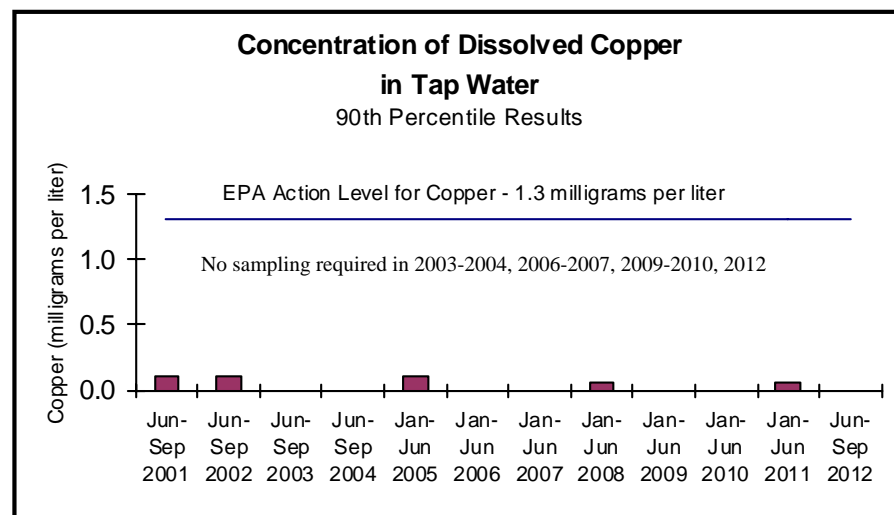
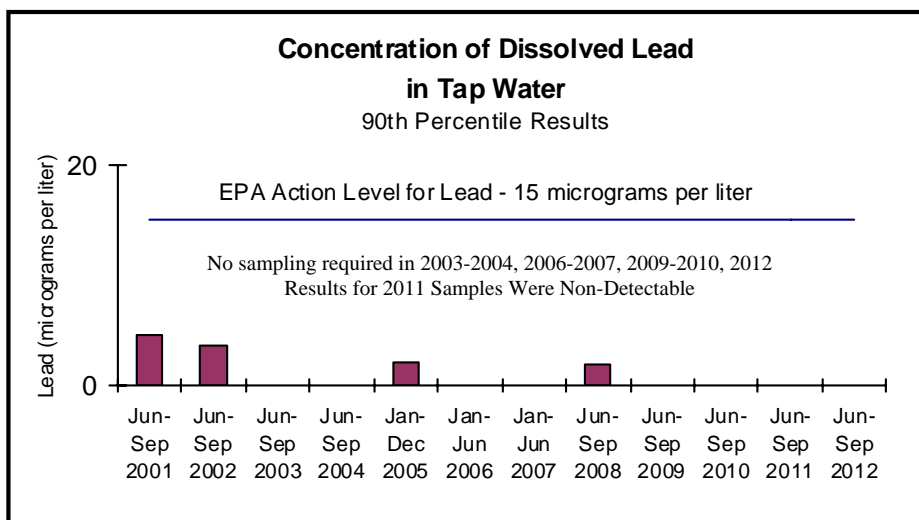
The WSSC has also been aggressively pursuing enhanced coagulation to improve organic contaminant removal, thereby lessening the level of potential carcinogens in the finished water (optimization of coagulant doses and pH levels to improve total organic carbon removal). Effective January 2001, the EPA reduced the standard for trihalomethanes (THMs) from 100 to 80 micrograms per liter of finished water. In 2002, the EPA established a maximum contaminant level of 60 micrograms per liter of finished water for halo acetic acids (HAAs). 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 near the end of FY'12, and builds upon earlier rules that addressed disinfection byproducts to improve drinking water quality and provide additional public health protection from disinfection byproducts. The rule changes strengthen public health protection for customers of systems that deliver disinfected water by requiring such systems to meet maximum contaminant levels as an average at each compliance monitoring location (instead of as a system-wide average as in previous rules).



PERFORMANCE OF KEY SERVICES

(Continued)

The Commission also continues its corrosion control program (using fine pH adjustment and addition of phosphoric acid) to minimize potential lead and copper corrosion in customer plumbing. The state has confirmed that the WSSC's system is optimized for corrosion control against lead and copper. During the period from FY'03 to FY'12, the number of samples required was reduced from 100 to 50 due to distribution system optimization. Results from these tests continue to indicate lead levels are well below regulatory requirements. The EPA required testing in FY'05, FY'08, and FY'11 also confirmed that lead and copper levels remained below the tap water action level. Lead testing was performed in FY'11; however, the lead residuals were non-detectable. Testing was not required for FY'12.



PERFORMANCE OF KEY SERVICES

(Continued)

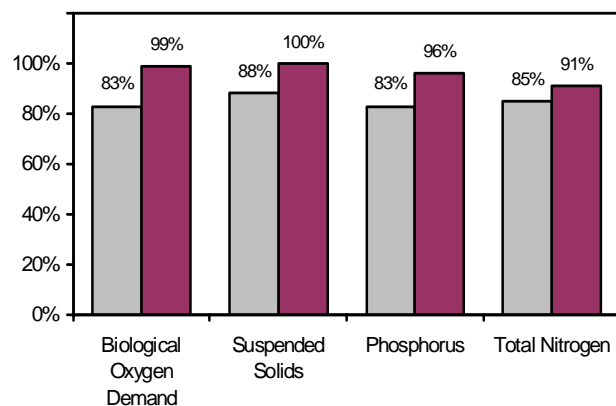
Wastewater Treatment

The following graphs present actual FY'12 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'14, the Production Team will continue to pursue its goal of meeting or surpassing the permit requirements for each plant. The Marlboro Meadows Wastewater Treatment Plant is scheduled to be shut down and replaced with a pumping station and force main during FY' 13.

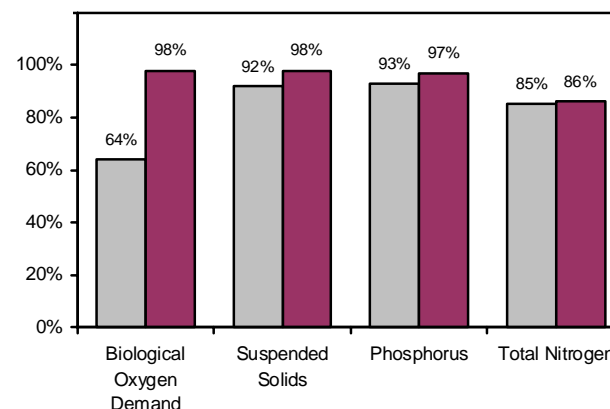
Wastewater Treatment Plant Performance – FY'12 Percentage Removal of Substances Regulated by Discharge Permits

Permit Requirement
 Plant Performance

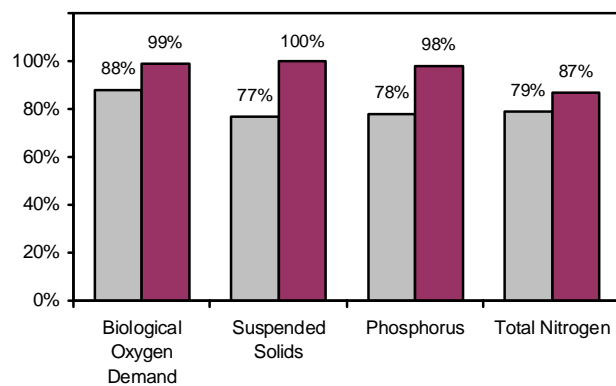
Damascus Wastewater Treatment Plant



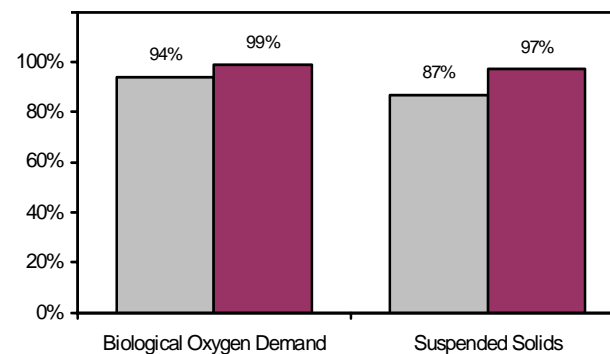
Piscataway Wastewater Treatment Plant



Seneca Wastewater Treatment Plant



Hyattstown Wastewater Treatment Plant

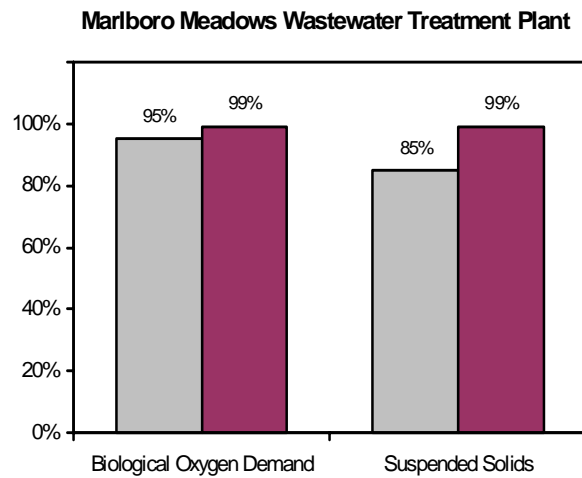
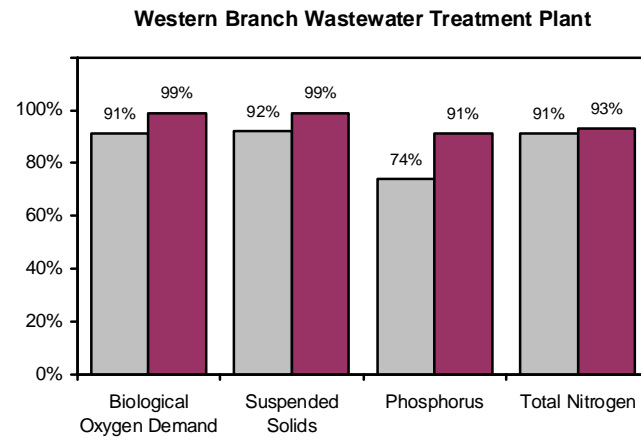
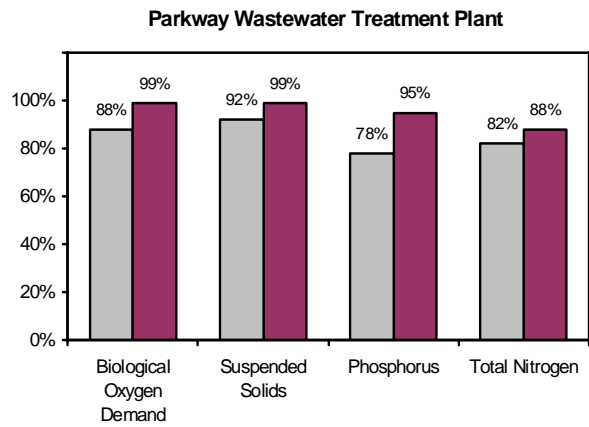


PERFORMANCE OF KEY SERVICES

(Continued)

Wastewater Treatment Plant Performance – FY'12 Percentage Removal of Substances Regulated by Discharge Permits

Permit Requirement
 Plant Performance



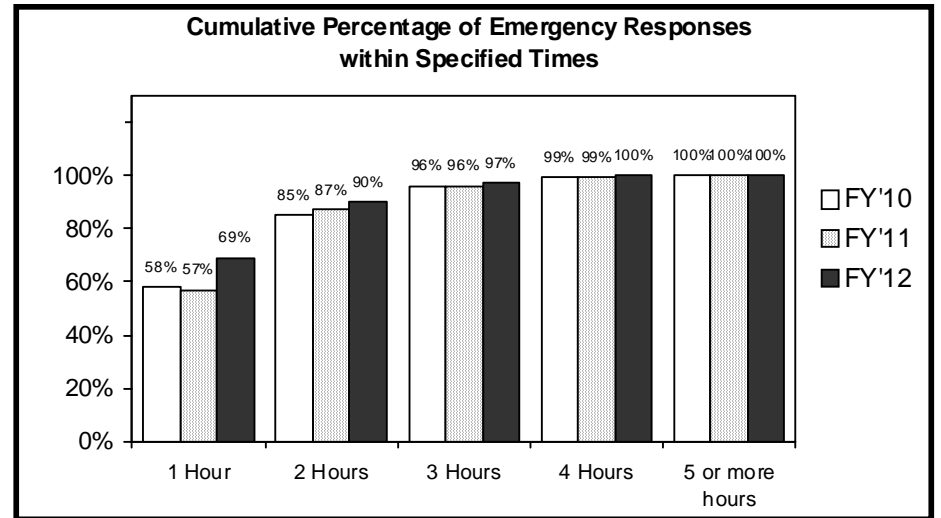
PERFORMANCE OF KEY SERVICES

(Continued)

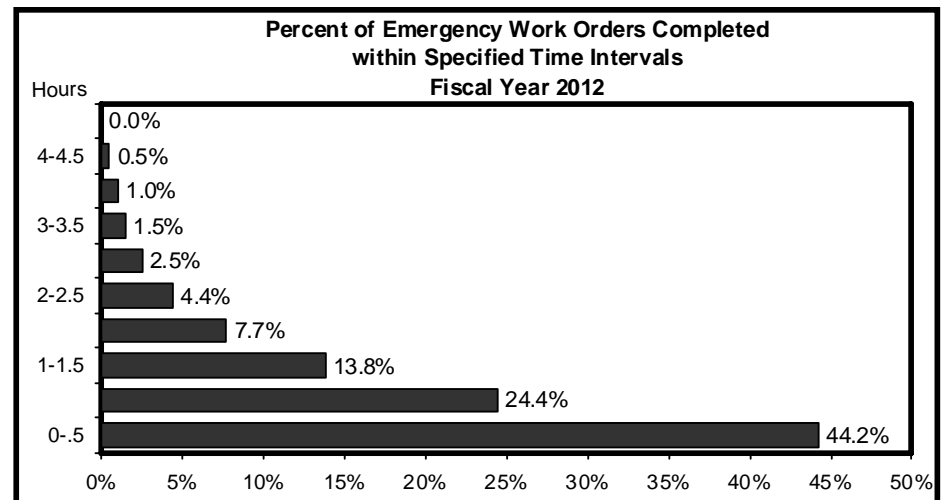
Emergency Response

During FY'12, 27,755 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'12 we responded to 69% of our emergency calls in less than 1 hour, and to 90% in less than our 2-hour goal with an average response time of 1.1 hours. In FY'11 the average response time was also 1.1 hours. On average our response time has remained the same, although the percentage of calls responded to within our 2-hour goal increased slightly. 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'12. Most emergency work orders required less than 2.0 hours to complete.

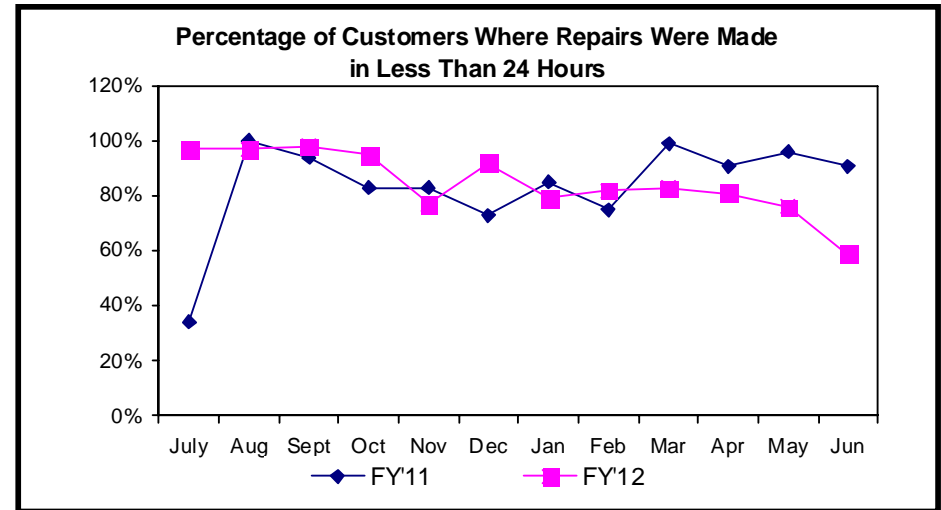
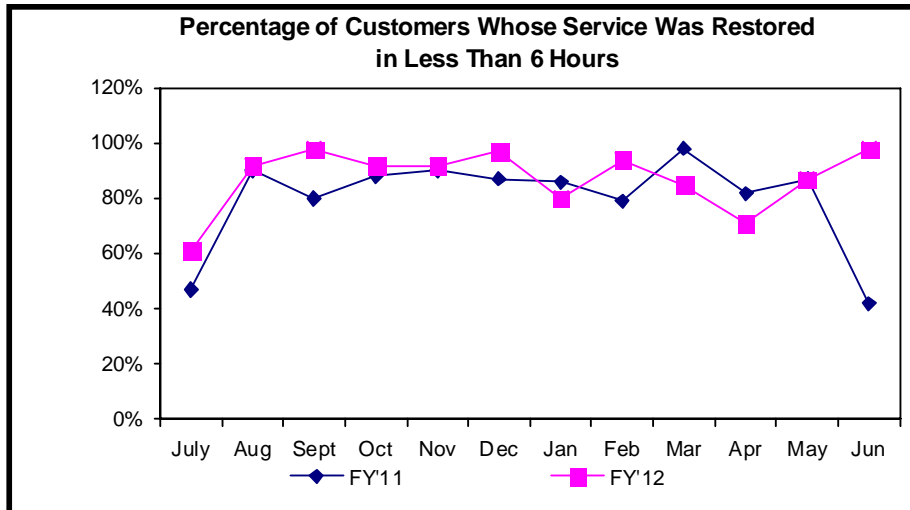


PERFORMANCE OF KEY SERVICES

(Continued)

Restoration of Water Service

The WSSC's objective is to restore normal service to our customers within 24 hours from the time we are notified of an emergency, and to limit the actual time a customer is without water service to less than 6 hours. During FY'12, 64,568 customers, or approximately 15% 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 the year FY'12, the average time that customers were without water service was 3.7 hours, with 92.2% having water service restored within the targeted 6-hour goal. The graph on the right indicates the percentage of affected customers where repairs were completed in less than 24 hours to restore normal or permanent water service. The average time from notification of a problem to restoration of normal service was 15.9 hours for the year FY'12, with 90.2% of customers having normal water service restored in less than the 24-hour goal.



PERFORMANCE OF KEY SERVICES

(Continued)

Discolored Water

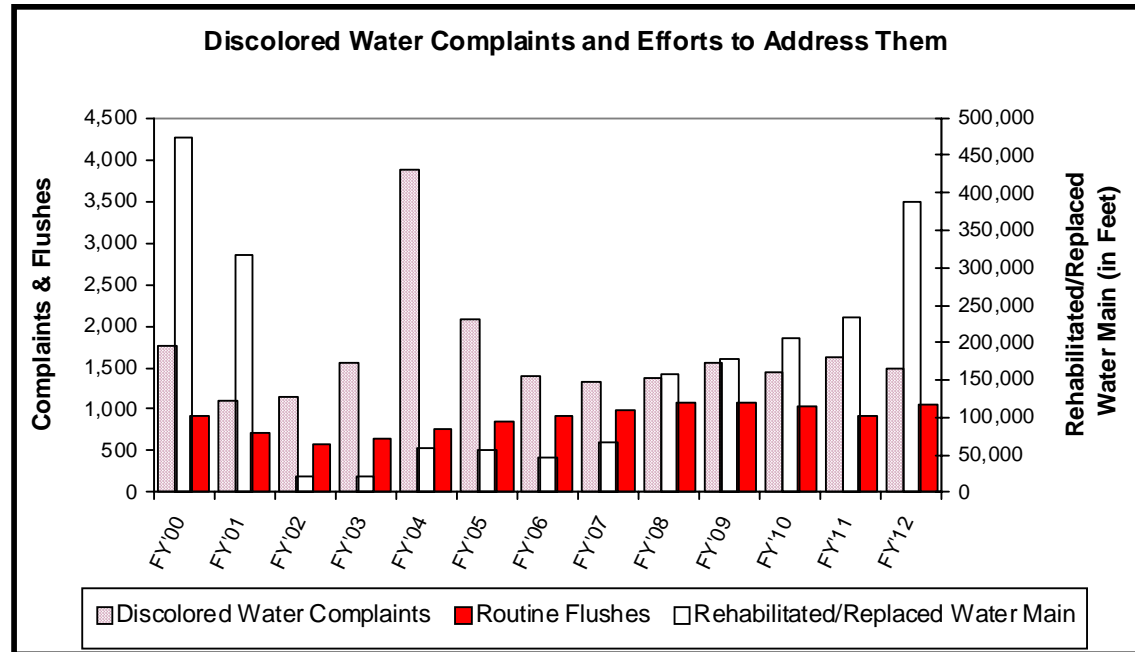
Unlined cast iron pipe eventually leads to discolored water in the distribution system as the water chemically reacts with the pipe to form iron oxides (rust) and accumulates deposits of iron and manganese that can become dislodged. This is a serious inconvenience for the affected customers, limiting 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 a slight overall decrease in discolored water complaints since FY'00 and 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. Replacement is more involved and more time consuming than cleaning and lining, and resulted in reduced footage of rehabilitated/replaced water main completed in FY'02 and FY'03.

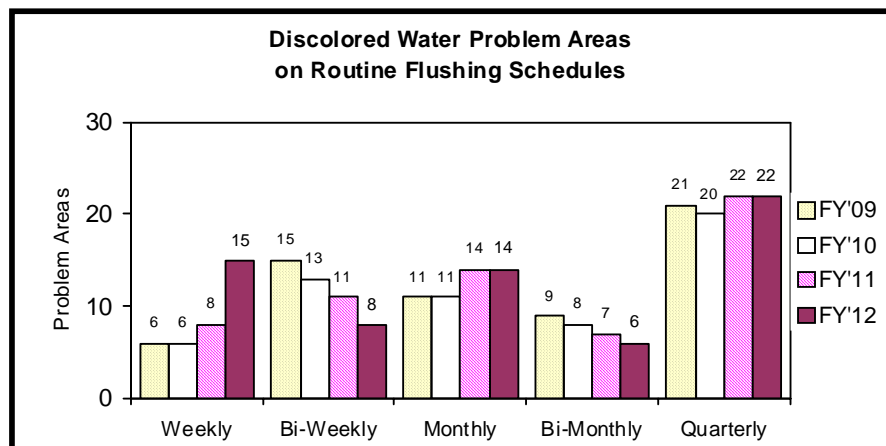
During FY'04, even though rehabilitation and replacement efforts more than doubled, discolored water complaints increased as a result of the volume of water main breaks associated with winter weather and service changes resulting from the Patuxent Water Filtration Plant Upgrade. New lines serviced by the plant caused a change in established flow rates and patterns, which caused increased water discoloration. When combined with the flow disruptions from broken water mains, valve closures, and hydrant openings, this event significantly contributed to the increased discolored water complaints.

Rehabilitation and replacement efforts have been on the increase in recent years. WSSC replaced 60 miles during FY'12. 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.



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'09. The number of areas with chronic discolored water problems has remained relatively constant over the years. Weekly flushings have increased in problem areas, whereas bi-weekly, monthly, bi-monthly, and quarterly flushings have decreased or remained the same.

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 re-cleaned to preclude another backup during the investigation process, and a television camera is pulled through the line within 30 days to determine structural condition. All pertinent data is then reviewed and analyzed to determine what action is necessary to prevent a recurrence of the backup. After a decision is made, the customer is notified by letter of any planned action, and the appropriate preventive maintenance or rehabilitation action is scheduled and subsequently implemented.

The overall program objective is to prevent a second backup in 95% of the cases processed. For FY'12, the Commission was successful in preventing a second backup in 85.0% of these cases. The Proactive Maintenance Program (PMP), along with technological advances such as the jet cam, has enabled the Commission to pursue its objective more diligently.

PERFORMANCE OF KEY SERVICES

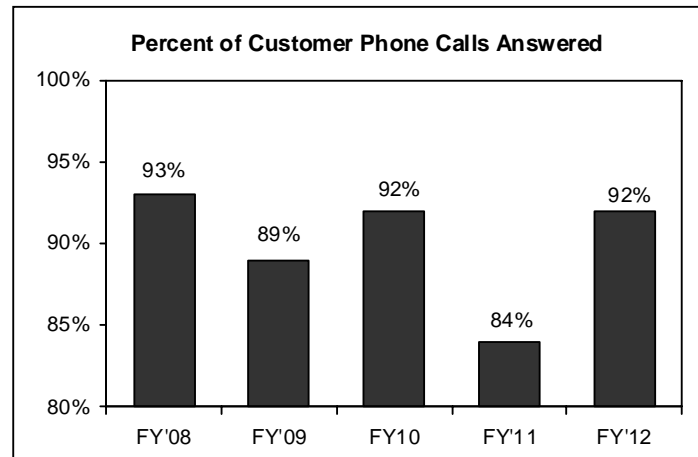
(Continued)

Sewer House Connection Renewal

The sewer house connection renewal program replaces sewer house connections when structural problems have caused customer backups. Damaged or deteriorated sewer house connections are replaced as necessary to ensure that customers do not suffer repeated sewer backups into their homes. The program objective is to prevent a second backup after the WSSC has confirmed there is a problem with the service. During FY'12, the Commission replaced 1,673 connections. At the beginning of FY'13, 398 house connections met the criteria for renewal.

Customer Calls for Maintenance Assistance

During FY'12, the Commission answered 92% of customer calls for maintenance assistance, as shown in the graph to the right. The increase is due to management addressing staffing issues and focusing on customer availability. 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 should allow for greater flexibility in staffing and an improved knowledge base. A new Geographic Information System (GIS) application was launched last year to enable 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.



PERFORMANCE OF KEY SERVICES

(Continued)

Customer Satisfaction with Maintenance Services

A program was established in FY'95 to survey customers concerning the quality of service they receive. Customers are surveyed weekly on a random basis using mail-in survey cards from Customer Care. Ratings are based on a scale of 1 to 5 where 1 = poor and 5 = excellent.

The following table indicates that customers have continuously, on average, rated *all* aspects of maintenance service in the "good" to "very good" range since FY'08.

Average Customer Ratings of Maintenance Personnel					
Category	FY'08	FY'09	FY'10	FY'11	FY'12
Polite	4.3	4.4	4.3	4.3	4.3
Knowledgeable	4.3	4.4	4.2	4.3	4.3
Helpful	4.3	4.4	4.2	4.3	4.3
Courteous	4.4	4.4	4.3	4.4	4.3
Explained Actions	4.4	4.4	4.4	4.3	4.3
Quality of Work	4.4	4.4	4.2	4.3	4.3
Efficiency	4.5	4.3	4.2	4.2	4.3
Overall Impression	4.3	4.3	4.1	4.2	4.2

GOALS, OBJECTIVES, AND OUTCOME MEASURES

ENGINEERING & CONSTRUCTION TEAM

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

Group: Development Services

Objective	Outcome Measure	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Projected
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.	60%	61%	90%	90%
Complete Phase II of the SEP process within 8 weeks.	Percentage of Phase II plan review packages processed in 8 weeks or less.	90%	97%	90%	95%

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

Group: Development Services

Objective	Outcome Measure	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Projected
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.	99%	99%	95%	98%

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

Group: Planning

Objective	Outcome Measure	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Projected
Reduce the number of wastewater basins experiencing recurring wet weather overflows to zero.	Number of wastewater basins experiencing recurring wet weather overflows (Total: 21 basins).	2	2	2	2
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

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(continued)

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

Group: Project Delivery

Objective	Outcome Measure	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Projected
Complete facility plans, concept designs and engineering designs as scheduled in the CIP.	Number of planning and design phase projects completed vs. planned.	15/5	5/8	6/6	8/8
Complete facility construction as scheduled in the CIP.	Number of construction phase projects completed vs. planned.	3/3	3/7	9/9	6/6

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

Groups: Infrastructure-Systems,
Systems Inspection

Objective	Outcome Measure	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Projected
Design the number of miles for the Water Reconstruction Program as planned.	Miles of water mains designed vs. planned.	43/40	44/40	45/45	50/50
Design the number of large service meter vaults as planned.	Number of meter vaults designed vs. planned.	36/40	38/30	50/50	50/50
Design the number of miles for the Sewer Reconstruction Program as planned.	Miles of sewer mains designed vs. planned.	39/37	78/37	65/65	122/122
Design the number of sewer manholes as planned.	Number of sewer manholes designed vs. planned.	522/500	370/600	600/600	1,142/1,142
Rehabilitate the number of miles for the Water Reconstruction Program as planned.	Miles of water mains rehabilitated vs. planned.	37/30	45/29	34/34	39/39
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.	39/35	54/40	65/65	25/25

Goal: Improve facility operations by updating industrial automation systems.

Group: Process Control

Objective	Outcome Measure	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Projected
Upgrade planned number of Programmable Logic Controllers (PLC).	Number of PLC upgraded vs. planned.	4/3	5/3	3/3	3/3
Upgrade or install new Uninterruptable Power Supplies (UPS) to improve electrical reliability for the PLC Systems.	Number of UPS upgraded vs. planned.	6/3	4/3	3/3	3/3
Install operator interfacing terminals at plants and facilities.	Number of operator interfacing terminals installed vs. planned.	1/1	2/2	2/2	2/2

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(continued)

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

Group: Regulatory Services

Objective	Outcome Measure	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Projected
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.	49/49	62/49	50/50	49/49
	Number of follow up inspections of Significant Industrial Users.	31	18	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.	275/275	275/275	300/300	300/300
	Number of additional samples taken of Significant Industrial Users.	1,184	813	1,000	750

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

Groups: Development Services, Regulatory Services

Objective	Outcome Measure	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Projected
Complete 1 st review of site utility plans within eight weeks of submission.	Percentage of 1 st reviews completed within eight weeks.	87%	92%	95%	95%
Conduct 99.9% of all requests for inspections to ensure compliance with plumbing and gasfitting regulations.	Percentage of requested plumbing/gasfitting inspections conducted.	100.00%	100.00%	99.96%	99.96%

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

Group: Regulatory Services

Objective	Outcome Measure	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Projected
Conduct 100% of all mandatory Consent Decree FOG initial inspections.	Percentage of initial FOG inspections completed vs. planned.	100%	100%	100%	100%

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(continued)

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

Group: Systems Inspection

Objective	Outcome Measure	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Projected
On State highways, the paving contractor shall complete paving repairs within 14 calendar days.	Percentage of paving repairs that are completed within 14 calendar days.	34%	29%	75%	80%
On all other roadways, sidewalks, driveways, curbs, and gutters, the contractor shall complete paving repairs within 35 calendar days.	Percentage of paving repairs that are completed within 35 calendar days.	89%	68%	92%	90%

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

Group: Systems Inspection

Objective	Outcome Measure	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Projected
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.	0.3%	-0.3%	0.5%	0.5%

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

Group: Technical Services

Objective	Outcome Measure	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Projected
Inspect the number of dams as planned.	Number of dams inspected vs. planned.	3/3	3/3	3/3	3/3
Inspect the number of Prestressed Concrete Cylinder Pipe (PCCP) miles as planned.	Miles of PCCP inspection performed vs. planned.	14/16	19/15	13/13	19/19
Install acoustical fiber optic line to monitor PCCP water transmission mains as planned.	Miles of acoustical fiber optic line installed vs. planned.	14/14	12/15	7/7	10/10
Provide corrosion design and repair recommendations based upon corrosion test readings.	Number of corrosion test stations read vs. planned.	296/296	482/244	300/300	300/300

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(continued)

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

Group: Environmental

Objective	Outcome Measure	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Projected
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.	95%	90%	100%	100%

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(continued)

PRODUCTION TEAM

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

Groups: Potomac, Patuxent

Objective	Outcome Measure	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Projected
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 Patuxent Water Filtration Plant	0 0	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 Patuxent Water Filtration Plant	0.03 0.02	0.03 0.02	<0.08 <0.08	<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.	Average combined level of trihalomethanes in the distribution system (micrograms per liter of finished water).	40.4	40.6	<50.0	<50.0

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

Groups: Piscataway, Western Branch, Parkway/
Marlboro Meadows, Seneca/Damascus/
Hyattstown

Objective	Outcome Measure	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Projected
Maintain compliance with NPDES permit requirements at the WSSC's 6 wastewater treatment plants.	Number of process-related non-compliances for the WSSC's 6 wastewater treatment plants.	2	1	4	4

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(continued)

LOGISTICS OFFICE

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

Group: Fleet Services

Objective	Outcome Measure	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Projected
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	55	55	55
Maintain mechanic productivity at a level comparable to commercial providers of vehicle and equipment maintenance services.	Fully burdened labor rate (cost per labor hour) for the Fleet Services Group vs. the corresponding average commercial rate for the bi-county area (based on periodic benchmarking surveys by the Fleet Services Group).	\$70/\$114	\$88/\$116	\$88/\$130	\$88/\$116

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

Groups: Fleet Services, Materials Management

Objective	Outcome Measure	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Projected
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.	2.5	2.8	2.0	2.0
	Number of times the vehicle parts inventory turns over annually.	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).	96.8%	98.0%	95.0%	95.0%
	Accuracy of vehicle parts inventory (from established cycle counts).	99.8%	99.8%	99.8%	99.9%

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(continued)

Goal: Achieve and maintain a high level of customer satisfaction with the provision of support services.

Group: Fleet Services

Objective	Outcome Measure	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Projected
Maintain high customer satisfaction with the provision of vehicle and equipment maintenance services.	Percentage of customers who rate vehicle and equipment services "good" or "excellent" on user satisfaction surveys.	99%	99%	99%	99%
Maintain a high level of customer satisfaction with the provision of motor pool services.	Percentage of customers who rate motor pool services "good" or "excellent" on the motor pool user survey (services are rated on five distinct criteria).	99%	99%	99%	99%

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

Group: Security and Safety Services

Objective	Outcome Measure	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Projected
Limit the occurrence of crime on WSSC property to \leq 250 incidents.	Number of crimes reported on WSSC property.	241	245	200	250

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

Group: Security and Safety Services

Objective	Outcome Measure	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Projected
Limit the occurrence of on-the-job injuries to WSSC employees to \leq 130 and lost-time injuries to \leq 65.	Number of injuries reported by WSSC employees:				
	On-the-job injuries	114	125	120	125
	Lost-time injuries	30	38	30	30
Reduce the number of on-the-job vehicular accidents involving WSSC employees to \leq 150.	Number of vehicular accidents involving WSSC employees.	140	140	150	150

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(continued)

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

Group: Security and Safety Services

Objective	Outcome Measure	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Projected
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.	4.7	4.8	4.8	4.8

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(continued)

FINANCE OFFICE

Goal: Minimize borrowing costs.

Group: Finance Office

Objective	Outcome Measure	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Projected
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.	132 basis points	104 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

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

Group: Retirement

Objective	Outcome Measure	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Projected
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.	11 basis points above	7 basis points above	Even	Even
Meet or exceed the 8% actuarial assumption for Retirement Fund investment returns on an annualized 10-year basis.	Annualized 10-year return on Retirement Fund investments as of June 30.	5.4%	5.8%	5.7%	5.4%

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(continued)

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

Group: Revenue

Objective	Outcome Measure	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Projected
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.	0.00%	0.00%	0.01%	0.01%

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

Group: Accounting

Objective	Outcome Measure	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Projected
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%	100%
Avoid the need for any prior period adjustments to financial reports.	Number of prior period financial adjustments required.	0	3	0	0

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

Groups: Retirement, Accounting

Objective	Outcome Measure	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Projected
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
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

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(continued)

Goal: Process financial transactions quickly and accurately.

Groups: Revenue, Disbursements

Objective	Outcome Measure	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Projected
Utilize at least 95.0% of available vendor discounts.	Percentage of available vendor discounts taken.	99.3%	99.2%	97.0%	98.0%
Post at least 95.5% of customer remittances on the day received.	Percentage of customer remittances posted on the same day.	99.6%	99.5%	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%

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

Group: Budget

Objective	Outcome Measure	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Projected
Maintain an end-of-year fund balance (accumulated net revenue) of at least 5 percent of water and sewer rate revenue as a reserve.	Combined end-of-year fund balance for the water and sewer operating funds (\$ millions)/ Percent of water and sewer rate revenue.	\$83.7/ 18.2%	\$111.9/ 21.9%	\$103.5/ 19.1%	\$87.3/ 15.3%
Maintain FitchRatings, Moody's, and/or Standard and Poor's bond ratings of AAA/Aaa/AAA.	FitchRatings/Moody's/Standard and Poor's bond ratings.	AAA/Aaa/ AAA	AAA/Aaa/ AAA	AAA/Aaa/ AAA	AAA/Aaa/ AAA

Goal: Accurately forecast Commission revenues and expenditures.

Group: Budget

Objective	Outcome Measure	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Projected
Accurately forecast annual water production.	Difference (in millions of gallons per day) between actual and budgeted water production.	5.0	-4.3	-4.0	0.0
	Percentage difference between actual and budgeted water production.	2.9%	-2.5%	-2.4%	0.0%
Accurately forecast revenues from water and sewer use charges.	Difference between actual and budgeted revenues from water and sewer use charges (\$ millions).	-\$18.4	-\$28.4	-\$19.6	\$0.0
	Percentage difference between actual and budgeted water and sewer use charges.	-3.8%	-5.6%	-3.6%	0.0%

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(continued)

Goal: Accurately forecast Commission revenues and expenditures.

Group: Budget

Objective	Outcome Measure	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Projected
Accurately project non-debt service water and sewer operating expenditures.	Difference (\$ millions) between actual and budgeted water and sewer operating expenditures (excluding debt service).	-\$37.7	-\$56.4	-\$7.7	\$0.0
	Percentage difference between actual and budgeted water and sewer operating expenditures (excluding debt service).	-10.2%	-10.0%	-1.9%	0.0%

Goal: Produce a sound, affordable capital spending program.

Group: Budget

Objective	Outcome Measure	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Projected
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.	31.5%	33.9%	34.1%	34.2%

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

Group: Budget

Objective	Outcome Measure	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Projected
Earn the Distinguished Budget Presentation Award from the Government Finance Officers Association (GFOA).	Receipt of GFOA's Distinguished Budget Presentation Award (Yes/No).	Yes	Yes	Yes	Yes

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(continued)

CUSTOMER CARE TEAM

Goal: Promptly and courteously answer all telephone calls.

Group: Customer Relations

Objective	Outcome Measure	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Projected
Attain a 95% success rate for answering non-emergency calls.	Percentage of non-emergency calls answered.	88.0%	85.0%	95.0%	95.0%
Maintain a 95% success rate for answering all emergency calls.	Percentage of emergency calls answered.	84.0%	92.0%	95.0%	95.0%

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

Groups: Support Services, Customer Relations

Objective	Outcome Measure	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Projected
Accurately record and report all meter readings.	Percentage of meter readings reported and recorded accurately.	99.8%	99.9%	99.9%	99.9%
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).	92.9%	92.9%	96.0%	96.0%
Collect all billed water and sewer use charges on a timely basis.	Percentage of billed water and sewer accounts considered delinquent.	9.2%	9.3%	10.0%	10.0%

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

Groups: Customer Care North, West, Central, South, and Customer Relations

Objective	Outcome Measure	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Projected
Respond within 2 hours to customers' emergency telephone calls.	Percentage of emergencies responded to within 2 hours of receipt of customer calls.	87.0%	90.0%	89.0%	89.0%
	Average response time to emergency calls (in hours).	1.1	1.1	1.1	1.1
Respond within 10 days to all written correspondence received.	Percentage of customer correspondence responded to within 10 days.	95.0%	91.0%	95.0%	95.0%
Achieve 100% closure of open claims.	Percentage of claims closed to the number of claims opened.	93.0%	99.0%	100%	100%

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(continued)

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

Groups: Customer Care North, West, Central, South, and Customer Relations

Objective	Outcome Measure	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Projected
Maintain an average customer rating of at least 4.0 (where 1=poor and 5=excellent) for the helpfulness, courtesy, efficiency, and work quality of maintenance personnel.	Average customer rating of maintenance personnel (on a scale of 1 to 5 where 1=poor and 5=excellent):				
	Helpfulness	4.3	4.3	4.7	4.7
	Courtesy	4.4	4.3	4.7	4.7
	Efficiency	4.2	4.3	4.7	4.7
	Quality of Work	4.3	4.3	4.7	4.7
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".	97.0%	94.0%	95.0%	95.0%

Goal: Minimize inconvenience caused by disruptions in service.

Groups: Customer Care North, West, Central, South, and Support Services

Objective	Outcome Measure	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Projected
Restore normal water service within 24 hours.	Percentage of customers whose water service was restored within 24 hours.	85.0%	90.2%	80.0%	80.0%
	Average time from notification of system problem to restoration of water service (in hours).	16.5	15.9	14.0	14.0
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.	86.5%	92.2%	95.0%	95.0%
	Average time without water (in hours).	3.6	3.7	3.0	3.0
Reduce the number of discolored water complaints.	Number of discolored water complaints.	1,616	1,499	1,400	1,400
	Areas with chronic discolored water problems which are on a routine flushing schedule.	62	65	52	52
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.	85.2%	85.0%	95.0%	95.0%

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(continued)

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

Groups: Customer Care North, West, Central, South, and Support Services

Objective	Outcome Measure	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Projected
Reduce service interruptions due to water main breaks.	Number of breaks per 100 miles of water main.	34.7	24.9	34.0	34.0
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%	100%
Test within 2 weeks and, if necessary, repair large meters whose average daily registration has significantly declined.	Percentage of large meters tested within 2 weeks of a noticeable decline in average daily registration.	90.0%	85.0%	90.0%	90.0%

Goal: Increase the production of in-house water main replacements by Customer Care Team Systems Enhancement Unit Staff.

Group: Customer Care Support Services

Objective	Outcome Measure	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Projected
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.	7.1/6.5	14.0/12.0	12.0/12.0	12.0/12.0

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

Group: Wastewater Collections System

Objective	Outcome Measure	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Projected
Inspect, via closed circuit television, the number of miles of sewer main planned.	Miles of sewer main inspected via closed circuit television vs. planned.	175/325	159/325	315/315	380/380
Inspect, via smoke test, the number of miles of sewer main planned.	Miles of sewer main inspected via smoke test vs. planned.	2.6/10.0	35.6/10.0	5.0/5.0	5.0/5.0

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(continued)

INFORMATION TECHNOLOGY TEAM

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

Group: IT Team Office, IT Implementations

Objective	Outcome Measure	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Projected
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.	N/A	100%	90%	90%
	Percentage of Enterprise Technology Initiatives implemented within budget.	N/A	100%	90%	90%
Deliver IT projects to support the Commission's business needs, on-time and within budget, 90% of the time. (* IT projects are defined as short-term business, infrastructure, or on-going platform projects).	Percentage of IT projects implemented on-time.	N/A	96%	90%	90%
	Percentage of IT projects implemented within budget.	N/A	91%	90%	90%

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

Group: IT Operations

Objective	Outcome Measure	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Projected
Maintain a high level of customer satisfaction by resolving 90% of calls to the Helpdesk during the initial call.	Percentage of total calls to the Helpdesk achieving First Contact Resolution (FCR).	76%	85%	90%	90%
Respond to service tickets (for incidents and service requests) within the defined Service Level Agreement (SLA).	Percentage of incidents resolved within 3 business days.	75%	85%	90%	90%
	Percentage of service requests delivered within 5 days.	75%	85%	90%	90%

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(continued)

INFORMATION TECHNOLOGY TEAM

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

Groups: Network Infrastructure and Data Center Operations

Objective	Outcome Measure	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Projected
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%	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%	100%	100%	100%

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(continued)

STAFF OFFICES

Goal: Provide cost-effective internal audit services.

Group: Internal Audit

Objective	Outcome Measure	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Projected
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.	0:1	1:1	1:1	1:1
Ensure accurate reimbursements via performed audits.	<u>SDC</u> : Total audit-based adjustment in Developer-requested reimbursements for CIP construction.	\$8,430	\$0	\$500,000	\$500,000
	<u>Blue Plains</u> : Total audit-based adjustment in Blue Plains O&M and Capital Indirect Billing.	\$0	\$1,362,425	\$1,000,000	\$1,000,000

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

Group: Intergovernmental Relations Office

Objective	Outcome Measure	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Projected
Represent the WSSC at bill hearings, worksessions, and various delegation/committee meetings as required.	Percentage of required bill hearings, worksessions, and delegation/committee meetings attended.	100%	100%	100%	100%

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

Group: Intergovernmental Relations Office

Objective	Outcome Measure	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Projected
Keep employees informed of federal legislation impacting the WSSC by sending monthly updates throughout the year.	Percentage of monthly federal updates required to be sent to all management vs. actual updates sent.	100%	100%	100%	400%

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(continued)

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

Group: Strategic Systems Management Office

Objective	Outcome Measure	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Projected
Facilitate alignment of strategic initiatives and projects which support the Commission's Strategic Priorities.	Percentage of Team Initiatives linked to Enterprise Strategic Initiatives.	N/A	40%	60%	100%
	Percentage of Enterprise Strategic Initiatives linked to Strategic Priorities.	N/A	100%	100%	100%
	Percentage of strategic projects approved for funding by the General Manager/CEO that were recommended by the Portfolio Teams.	N/A	N/A	20%	20%

Goal: Manage organizational performance improvement to achieve the Commission's vision, mission, and strategic priorities.

Group: Strategic Systems Management Office

Objective	Outcome Measure	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Projected
Develop and monitor Key Success Measures (KSMs) that evaluate achievement of strategic and operational results.	Percentage of action plans developed for under-performing KSM strategic performance objectives.	N/A	50%	75%	75%
	Percentage of KSM targets achieved within designated Strategic Priorities.	N/A	52%	50%	50%

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

Group: Strategic Systems Management Office

Objective	Outcome Measure	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Projected
Facilitate the use of management best practices by project leads in completion of WSSC strategic initiatives and projects.	Percentage of WSSC strategic initiatives and projects completed using management best practices.	N/A	0%	50%	50%

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(continued)

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

Group: Communications & Community Relations Office

Objective	Outcome Measure	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Projected
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%
Remain continuously accessible (24/7) to local media.	Number of days accessible to local media.	365	365	365	365

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

Group: Communications & Community Relations Office

Objective	Outcome Measure	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Projected
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/No)	Yes	Yes	Yes	Yes
	Number of Quarterly Pipeline bill inserts produced and distributed vs. planned.	4/4	4/4	4/4	4/4
	Post all news releases on WSSC website home page. (Yes/No)	Yes	Yes	Yes	Yes

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(continued)

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

Group: Communications & Community Relations Office

Objective	Outcome Measure	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Projected
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. (Executed/Estimated)	67/35	30/35	40/40	35/35
	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). (Executed/Estimated)	25/30	23/20	20/20	20/20
	Partner with outside agencies to plan/execute events (e.g., stream/road cleanups, water festival, and campfire). (Executed/Planned)	6/4	9/6	6/6	9/9
	Number of community outreach events conducted (e.g., H2O Summit, Children's Water Festival, tree plantings, and invasive weed removals). (Executed/Planned)	40/40	40/40	25/25	25/25

Goal: Disseminate accurate and timely information to WSSC employees.

Group: Communications & Community Relations Office

Objective	Outcome Measure	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Projected
Inform employees about WSSC news.	Publish Fish Tales and distribute to Depots monthly (in addition to providing on-line). (Published/Planned)	3/4	6/12	12/12	12/12
Communicate new initiatives/programs to employees.	Execute campaigns to communicate new or special initiatives, programs, etc., to employees. (Executed/Estimated)	4/4	4/4	4/4	5/5

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(continued)

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

Group: Communications & Community Relations Office

Objective	Outcome Measure	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Projected
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/No)	Yes	Yes	Yes	Yes
	Promote "Can The Grease" to media at least 3 times per year. (Actual/Planned)	2/3	4/3	2/3	3/3
	Provide FOG-related educational materials and promotional items to distribute to customers. (Actual/Planned)	20,000/ 5,000	10,000/ 5,000	10,000/ 15,000	15,000/ 15,000

Goal: Continuous improvement of Human Resources operations.

Group: Human Resources Office

Objective	Outcome Measure	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Projected
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.	20%	50%	100%	100%

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

Group: Human Resources Office

Objective	Outcome Measure	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Projected
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%

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(continued)

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

Group: Small, Local and Minority Business Enterprise Office

Objective	Outcome Measure	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Projected
Increase the number of registered and certified Minority Business Enterprises (MBEs) 10% annually.	Total number of registered and certified MBEs/Annual percentage increase/decrease in newly registered MBEs.	511/4.7%	766/49.9%	843/10.0%	927/10%
Increase the number of approved Small, Local Business Enterprises (SLBEs) 5% annually.	Total number of approved SLBEs/Annual percentage increase/decrease in newly approved SLBEs.	234/-9.7%	301/28.6%	316/5.0%	332/5.0%
Increase the number of contracts awarded to certified MBEs 5% annually.	Total number of contracts awarded to certified MBEs/Annual percentage increase/decrease in contracts awarded to MBEs.	72/-70.5%	361/401.4%	379/5.0%	398/5.0%
Increase the number of contracts awarded to approved SLBEs 5-10% annually.	Total number of contracts awarded to SLBEs/Annual percentage increase/decrease in contracts awarded to SLBEs.	29/123.1%	155/434.5%	171/10.0%	188/10.0%

**The new Minority Business Enterprise (MBE) Program went into effect May 1, 2011; the new Small, Local Business Enterprise (SLBE) Program went into effect July 20, 2011.*

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(continued)

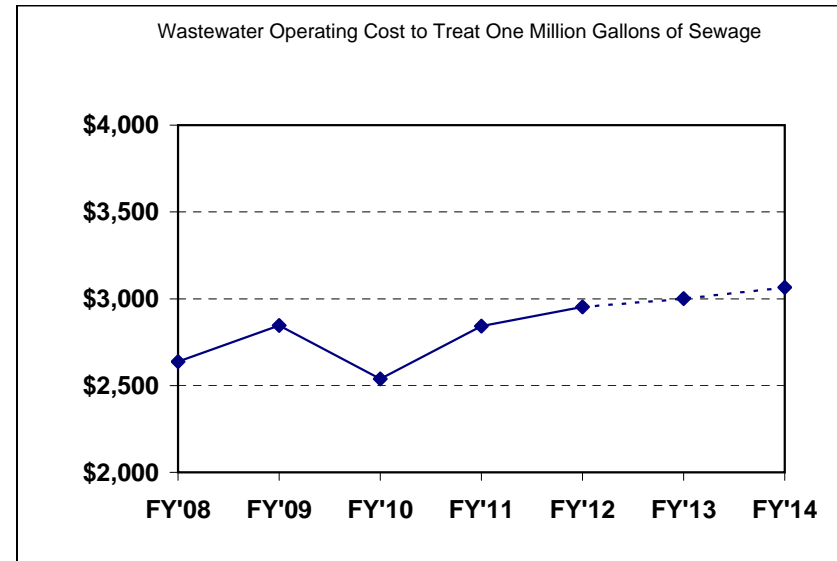
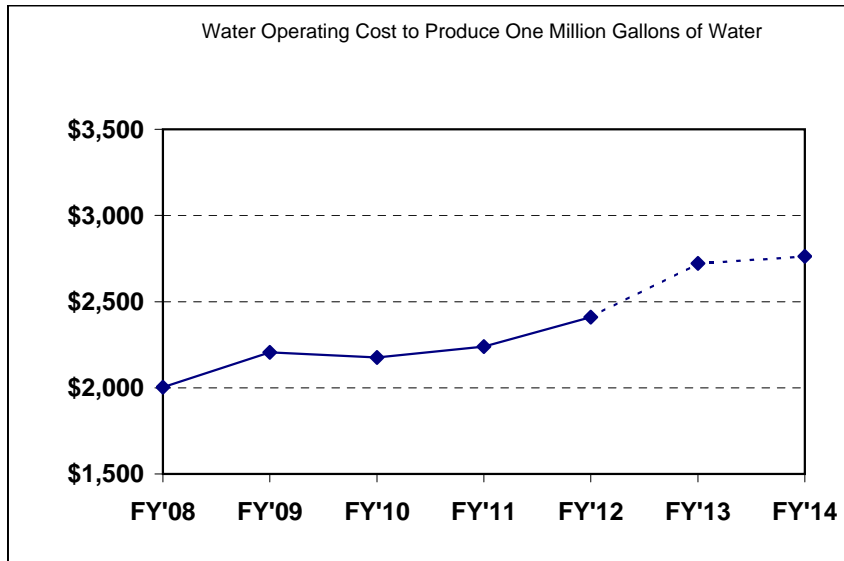
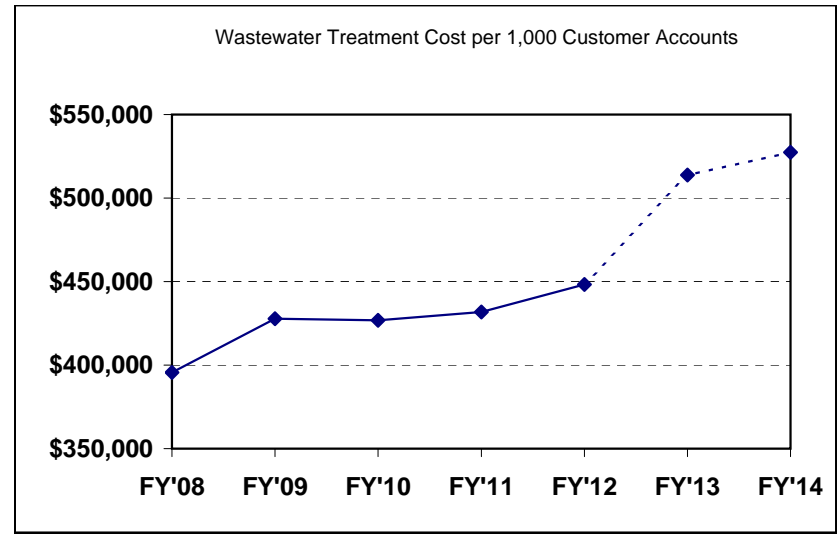
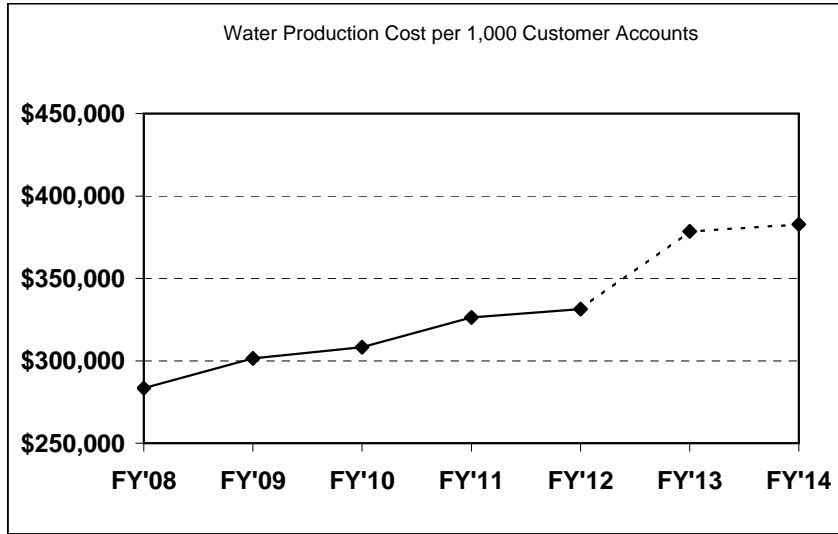
Goal: Provide timely procurement services.

Group: Procurement Office

Objective	Outcome Measure	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Projected
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)
Miscellaneous (Small Purchases, Emergencies, etc.)	15 days	30	68	27	45
Sole Source	60 days	120	120	108	100
Requests for Qualifications (RFQ) and Requests for Information (RFI)	60 days	120	238	108	180
Invitations for Bids (IFB)	120 days	140	100	126	105
Requests for Proposals (RFP)	180 days	360	122	324	120
A/E Solicitation Process via Consultant Selection Committee (CSC)	210 days	420	270	378	180

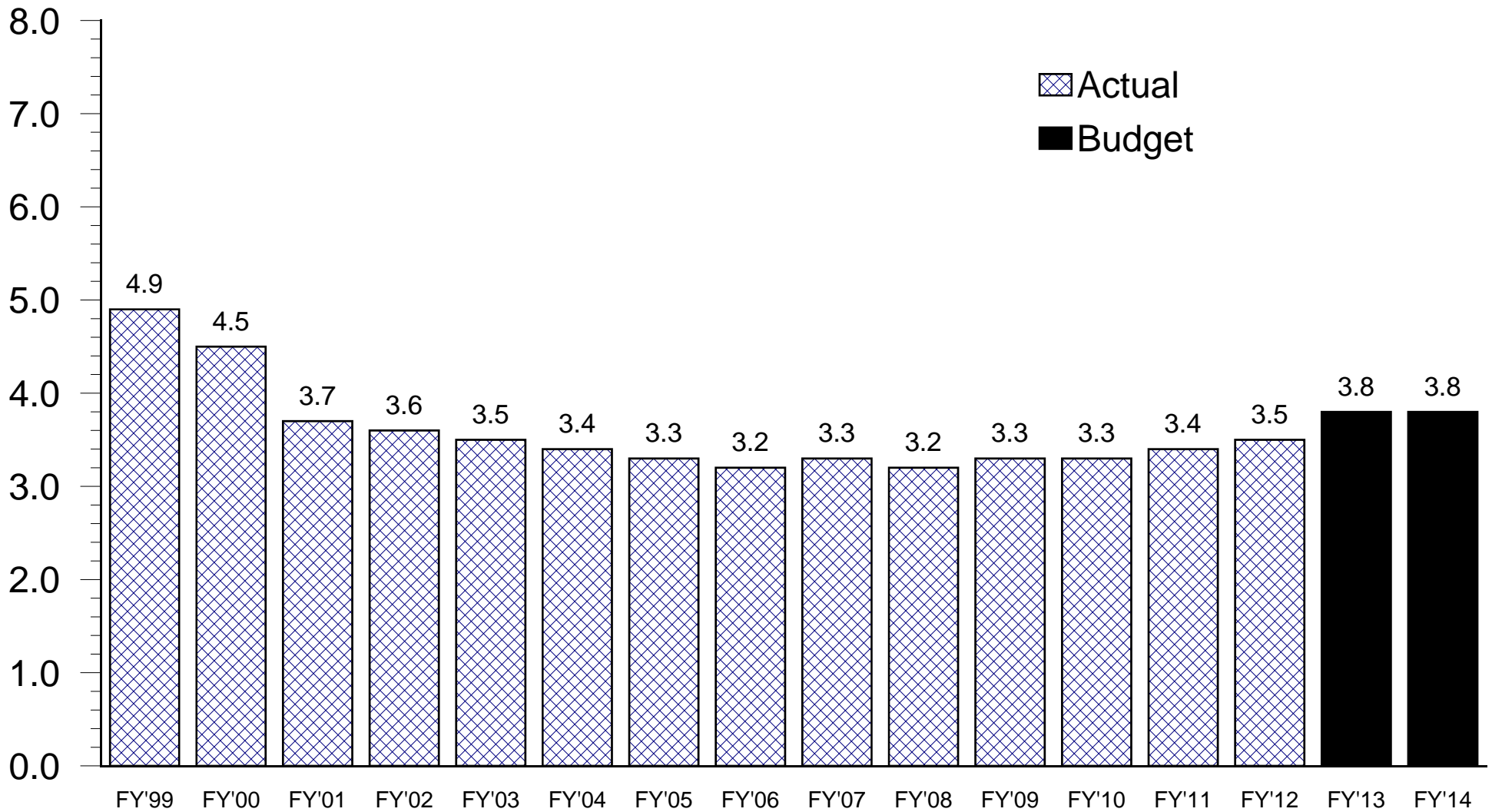
WSSC

OPERATING EFFICIENCY MEASURES

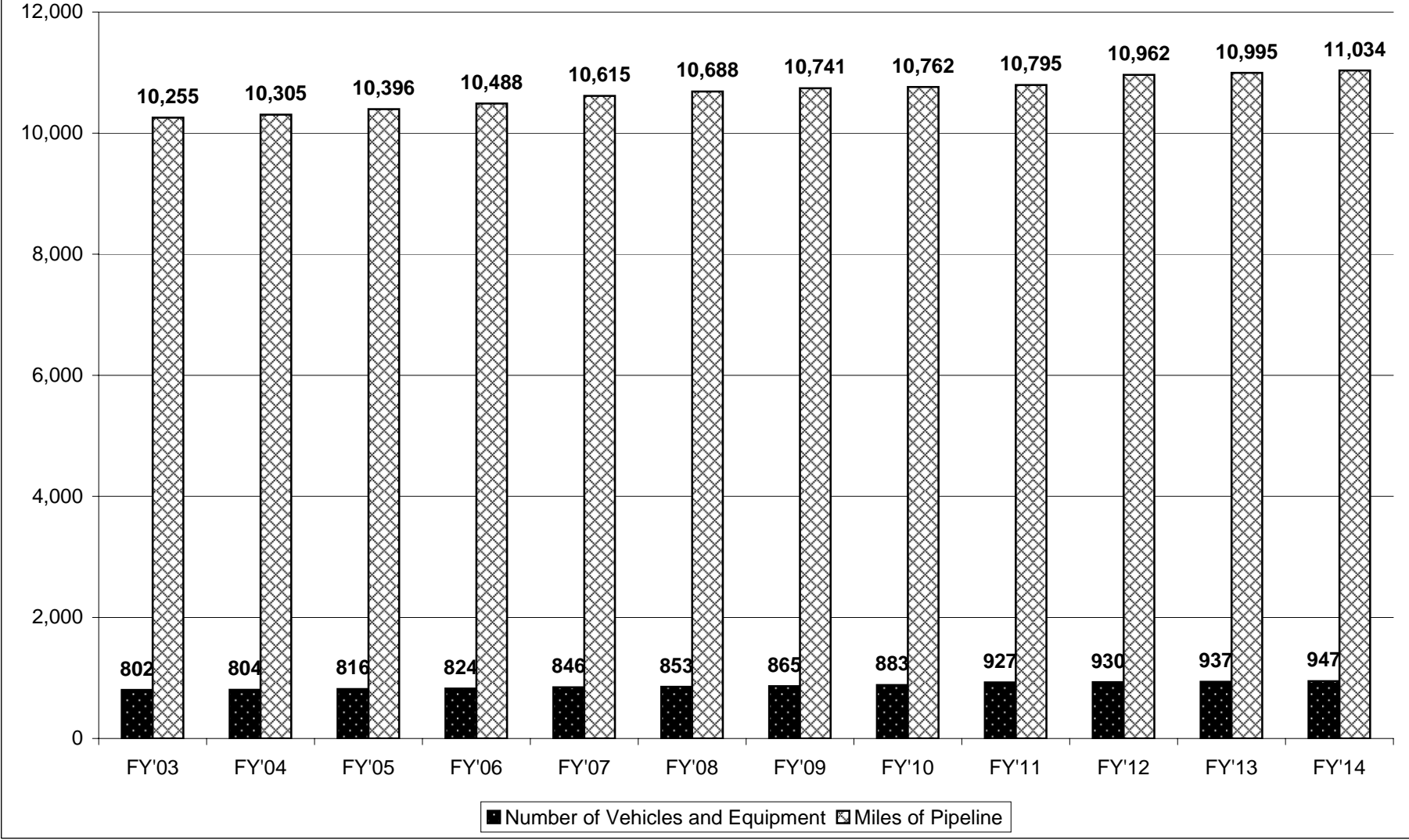


Note: FY'13 & FY'14 are budgeted, not actual.

WORKYEARS PER 1,000 CUSTOMER ACCOUNTS



VEHICLE FLEET SIZE VS. MILES OF PIPELINE MAINTAINED



Note: FY'13 and FY'14 are budgeted, not actual.

WSSC
COMPARATIVE STATISTICAL DATA

The following actual and budgeted data show the number of customer accounts increasing 3.0% and the population increasing 1.7% from FY'10 to FY'14, with the number of employee workyears increasing 18.5%. A portion of the increase in work years 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 2.5% from FY'10 to FY'14.

During the years 1997 through 2001, the WSSC significantly cut resources through a Competitive Action Plan. In 1997, actual workyears were 2,015, the number of accounts was 382,404, and the total number of miles maintained was 9,784. From this perspective, the number of accounts and size of the system will have increased 17.1% and 12.8%, respectively, from FY'97 to FY'14, while workyears will have decreased 14.8% for the same period. The additional workyears in FY'14 will fill gaps in staffing; and provide the WSSC with the means to improve customer service, meet increased regulatory requirements, and expand programs to address aging infrastructure issues.

	<u>FY'10</u>	<u>FY'11</u>	<u>FY'12</u>	<u>FY'13</u>	<u>FY'14</u>	<u>FY'10-FY'14</u>	<u>FY'97-FY'14</u>
	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>APPROVED</u>	<u>APPROVED</u>	<u>PERCENT</u>	<u>PERCENT</u>
						<u>CHANGE</u>	<u>CHANGE</u>
Workyears	1,449	1,486	1,522	1,693	1,717	18.5%	-14.8%
Population	1,727,000	1,734,000	1,742,000	1,749,000	1,757,000	1.7%	19.8%
Customer Accounts	434,773	438,193	439,805	446,193	447,805	3.0%	17.1%
<u>Size of System</u>							
Miles to be Maintained							
Water	5,438	5,451	5,471	5,551	5,571	2.4%	12.3%
Sewer	<u>5,324</u>	<u>5,344</u>	<u>5,363</u>	<u>5,444</u>	<u>5,463</u>	<u>2.6%</u>	<u>13.3%</u>
TOTAL	10,762	10,795	10,834	10,995	11,034	2.5%	12.8%
Water Production (average MGD)	168.7	175.0	165.7	170.0	170.0	0.8%	6.5%
Sewage Flows (average MGD)	200.3	182.4	182.9	209.3	211.0	5.3%	9.9%

ORGANIZATIONAL HIGHLIGHTS

SECTION 3

ORGANIZATIONAL HIGHLIGHTS

	<u>FY'14 Approved</u>	
	<u>Amount</u>	<u>Workyears</u>
<u>Commissioners Office/Corporate Secretary's Office, General Manager & Staff Offices</u>	\$17,880,800	120.0

This group of organizations is comprised of the following offices: Commissioners/Corporate Secretary; General Manager; Internal Audit; Intergovernmental Relations; Strategic Systems Management; General Counsel; Communications and Community Relations; Human Resources; Small, Local and Minority Business Enterprise; Fair Practice; and Procurement (formerly Acquisition). The Corporate Asset Management Office was disbanded in FY' 13, with staff supporting the Asset Management Program absorbed into the Planning Group in the Engineering & Construction Team, and remaining staff supporting Enterprise Resource Planning absorbed into the Information Technology Team.

- 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 *Intergovernmental Relations Office* analyzes the impact of state and federal legislation on the Commission, and communicates with the legislative bodies.
- The *Strategic Systems Management Office* serves as the day-to-day manager of enterprise-wide change involving multiple change processes and projects, and provides integration and logistical support for the WSSC's change management efforts.
- The *General Counsel's Office* provides legal services to support the operational goals and objectives of the Commission, and is responsible for the disposition of surplus Commission real estate properties.

ORGANIZATIONAL HIGHLIGHTS

(Continued)

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

ORGANIZATIONAL HIGHLIGHTS

(Continued)

	<u>FY'14 Approved</u>	
<u>Engineering & Construction Team</u>	<u>Amount</u>	<u>Workyears</u>
	\$732,814,600	368.0

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

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

ORGANIZATIONAL HIGHLIGHTS

(Continued)

- The ***Technical Services Group*** is responsible for preparing specifications for construction contracts; producing Engineer's Estimates; providing project estimates; performing land surveys and property acquisitions; providing mechanical and electrical design work; providing Geographic Information System (GIS) mapping work, conducting corrosion tests; managing Prestressed Concrete Cylinder Pipe (PCCP) inspections; and overseeing Acoustic Fiber Optic (AFO) monitoring of major pipelines.
- The ***Environmental Group*** is responsible for overseeing environmental protection associated with WSSC programs, addressing emerging issues associated with public health, and providing technical support for the National Pollutant Discharge Elimination System (NPDES) permit reviews and negotiations.

During FY'14, the Team plans to review 160 water and sewer pipeline plan submittals; assign 2,800 plumbing permits to mini basins, manage 22 capital projects in the construction phase; rehabilitate 51 miles of small diameter water main and 12 miles of small diameter sewer main; perform inspections and condition assessment on 18 miles of PCCP; perform 62,000 plumbing/gasfitting inspections; monitor 81 miles of acoustical fiber optic systems; review and transmit 250 rights-of-way packages; and review 1,500 environmental assessment plans.

ORGANIZATIONAL HIGHLIGHTS

(Continued)

	<u>FY'14 Approved</u>	
<u>Production Team</u>	<u>Amount</u>	<u>Workyears</u>
	\$152,413,300	299.0

This Team, led by the Chief of Plant Operations, is comprised of the Potomac, Patuxent, Piscataway, Parkway, Western Branch, Seneca/Damascus/Hyattstown, Laboratory Services, Systems Control and Industrial Assets Management Groups, and the Utility Cost Control Office. The Information Support Group was disbanded at the end of FY'13. The workyears were absorbed into the Information Technology Team.

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

During FY'14, the Team plans to filter and treat 62.1 billion gallons of water; treat a total of 27.2 billion gallons of wastewater, and dispose of 109,649 wet tons of biosolids (this does not include the wastewater treated and biosolids managed at Blue Plains); conduct 500,000 laboratory analyses; rehabilitate 3 water storage tanks, and inspect the condition and prepare specifications for 3 others; and remotely monitor 5,100 data points within the water distribution system.

ORGANIZATIONAL HIGHLIGHTS

(Continued)

	<u>FY'14 Approved</u>	
	<u>Amount</u>	<u>Workyears</u>
<u>Logistics Office</u>	\$29,061,400	176.0

This Office, led by the Logistics Director, is comprised of 4 Groups: Property Management, Fleet Services, Materials Management, and Security and Safety Services. The Team Office is also responsible for providing reprographics, mail services and distribution, office supplies, food and vending services, and asset management of furniture and copy machines.

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

During FY'14, the Office plans to maintain and fuel 947 vehicles and 676 pieces of equipment; process 2.5 million pieces of mail; manage 50 supply contracts; tag 2,000 moveable asset items; perform 100 job-site safety inspections and 100 ergonomic assessments; conduct 100 traffic control and flagger certification training classes, and specialized safety training classes.

ORGANIZATIONAL HIGHLIGHTS

(Continued)

	<u>FY'14 Approved</u>	
<u>Finance Office</u>	<u>Amount</u>	<u>Workyears</u>
	\$5,732,600	60.0

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

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

During FY'14, the Finance Office plans to prepare a six-year Capital Improvements Program (CIP) for major water and sewer facilities by October 1, 2013; submit a proposed capital and operating budget to the Counties by March 1, 2014; produce timely monthly accounting reports and financial statements; account for the Commission's fiscal year budget; calculate FFB Charges; disburse 10,000 non-payroll checks and electronic payments; prepare and electronically distribute 43,000 payroll checks/direct deposit statements; process 29,000 invoices; maintain schedules of the Commission's note and bond principal and interest expenses; process over 1.85 million water and sewer bill payments; and counsel retirees and employees on retirement benefits.

ORGANIZATIONAL HIGHLIGHTS

(Continued)

	<u>FY'14 Approved</u>	
	<u>Amount</u>	<u>Workyears</u>
<u>Customer Care Team</u>	\$96,368,500	583.0

This Team, led by the Customer Care Team Chief, is comprised of the Customer Relations, Customer Care North, West, Central, South, Support Services, Strategic Planning, and Wastewater Collections System Groups. This Team is directly responsible for maintaining water and sewer mains throughout the Washington Suburban Sanitary District. The Information Support Group was disbanded in FY' 13. The workyears were absorbed into the Information Technology Team.

- The ***Customer Relations Group*** is responsible for answering customer calls and letters regarding emergencies and more routine matters, such as: occupancy changes, high bills, payments and payment extensions, and suspension of services due to nonpayment of bills. In addition, this Group is responsible for walk-in customer service, handling requests for new meters, reviewing billing exceptions, correcting and adjusting billing, and investigating and resolving claims. They serve as the initial point of customer contact and are tasked with receiving and dispatching calls to the four Customer Care zones.
- The ***Customer Care North, West, Central, and South Groups*** are responsible for maintaining the distribution and collection system including all of the Commission's water and sewer mains and water meters, thus ensuring the consistent flow of water and outflow of wastewater within their geographical regions and preserving the infrastructure in order to provide quality service for our customers.
- The ***Support Services Group*** is responsible for administering the in-house water main replacement program; the water meter evaluation, testing, and repair program for large and small meters; and for reading the WSSC's water meters, ensuring accurate customer billing. Auxiliary emergency maintenance support is provided to the other Customer Care Depots during peak periods or critical events. Additional support services provided include fire hydrant flow testing, the fire hydrant meter leasing program, and warehousing and issuing of large water meters.
- The ***Strategic Planning Group*** is responsible for training Customer Care Team employees and ensuring that the Team's current work practices are operationally effective. This Group searches for best practices and/or technology that will provide greater efficiencies and increase productivity in the various work groups of the Customer Care Team.
- The ***Wastewater Collections System Group*** is responsible for 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. Water distribution and transmission condition assessment activities will be added to the group in FY' 14, in line with WSSC's effort to execute the Asset Management Program.

ORGANIZATIONAL HIGHLIGHTS

(Continued)

During FY'14, the Team plans to perform approximately 2.0 million meter readings, generate 1.9 million customer bills, and address 755,000 customer inquiries. These inquiries are expected to result in 3,615 large meter and/or meter setting repairs, 3,200 fire hydrant repairs, 320 water service repairs, 1,300 property inspections, 12,350 small meter replacements, 2,735 emergency responses, 2,000 water main repairs, 500 miles of sewer main preventive cleaning, and replacement of a projected 12.0 miles of deteriorating water main.

ORGANIZATIONAL HIGHLIGHTS

(Continued)

	<u>FY'14 Approved</u>	
<u>Information Technology Team</u>	<u>Amount</u>	<u>Workyears</u>
	\$31,858,400	111.0

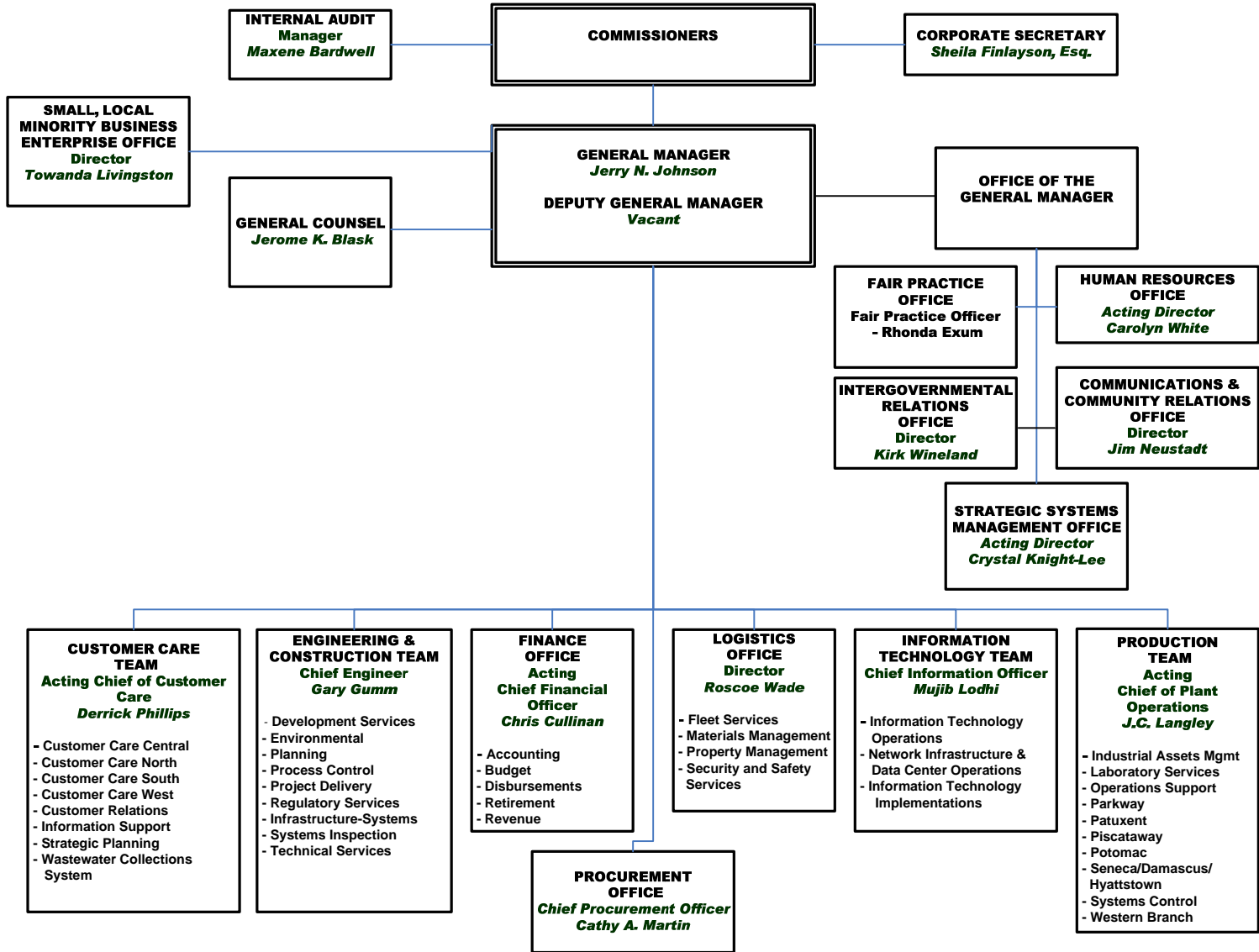
This Team, led by the Chief Information Officer, is comprised of the Information Technology Operations, Network Infrastructure & Data Center Operations, and Information Technology Implementations Divisions. The Team Office provides information technology support services and resources (hardware, software,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

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

ORGANIZATION AND FACILITIES

SECTION 4

WSSC ORGANIZATION CHART



Approved Expenditures by Organizational Unit

	FY'13 Approved		FY'14 Approved	
	Workyears	Amount	Workyears	Amount
Commissioners Office/Corporate Secretary's Office	2	\$ 350,100	2	\$ 347,200
Internal Audit	9	1,101,700	10	1,171,900
General Manager	5	979,000	6	1,039,500
Intergovernmental Relations Office	5	520,700	4	628,000
Strategic Systems Management Office	7	871,700	7	958,300
General Counsel's Office	16	3,896,200	16	4,053,300
Communications & Community Relations Office	17	2,117,700	17	2,231,200
Human Resources Office	23	3,369,900	23	3,783,600
Small, Local and Minority Business Enterprise Office	8	1,170,400	8	1,183,700
Fair Practice Office	2	187,700	1	113,400
Procurement Office (Previously Acquisition Office)	26	2,246,300	26	2,370,700
Engineering & Construction Team	359	772,087,900	368	732,814,600
Production Team	298	152,833,700	299	152,413,300
Logistics Office	177	29,029,500	176	29,061,400
Finance Office	61	5,505,600	60	5,732,600
Customer Care Team	583	99,623,100	583	96,368,500
Information Technology Team	95	30,116,900	111	31,858,400
Non-Departmental (Finance)	-	37,476,000	-	40,903,800
Non-Departmental (Human Resources)	-	32,272,600	-	29,982,000
Debt Service	-	251,973,000	-	264,909,000
PAYGO	-	-	-	13,782,000
Depreciation Expense	-	11,808,300	-	13,553,600
Operating Reserve Contribution	-	10,200,000	-	11,700,000
SUMMARY-TOTAL	<u>1,693</u>	<u>\$ 1,449,738,000</u>	<u>1,717</u>	<u>\$ 1,440,960,000</u>

Comparative Personnel Complement by Organizational Unit

	<u>FY'12 Actual</u>		<u>FY'13 Approved</u>		<u>FY'14 Approved</u>	
	Authorized Positions	Workyears	Authorized Positions	Workyears	Authorized Positions	Workyears
<u>Commissioners Office/Corporate Secretary's Office</u>	*8	2.0	*8	2.0	*8	2.0
Internal Audit	9	8.3	9	9.0	10	10.0
<u>General Manager</u>	5	3.6	5	5.0	6	6.0
Intergovernmental Relations Office	5	3.8	5	5.0	4	4.0
Strategic Systems Management Office	7	5.0	7	7.0	7	7.0
General Counsel's Office	16	14.1	16	16.0	16	16.0
Communications & Community Relations Office	17	17.0	17	17.0	17	17.0
Human Resources Office	22	24.2	23	23.0	23	23.0
Small, Local and Minority Business Enterprise Office	8	7.2	8	8.0	8	8.0
Fair Practice Office	2	1.0	2	2.0	1	1.0
Procurement Office (Previously Acquisition Office)	26	21.3	26	26.0	26	26.0
Corporate Asset Management Office	16	4.9	-	-	-	-
Engineering & Construction Team	350	319.7	359	359.0	368	368.0
Production Team	293	278.8	298	298.0	299	299.0
Logistics Office	176	142.0	177	177.0	176	176.0
Finance Office	62	56.5	61	61.0	60	60.0
Customer Care Team	581	539.5	583	583.0	583	583.0
Information Technology Team	84	73.3	95	95.0	111	111.0
SUMMARY-TOTAL	<u>1,681</u>	<u>1,522.2</u>	<u>1,693</u>	<u>1,693.0</u>	<u>1,717</u>	<u>1,717.0</u>

* Commissioners (6) not included in total positions.

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'14 Approved	
	<u>Workyears</u>	<u>Amount</u>
Base Positions Funded Full Year	1,717	\$ 123,422,800
Overtime		<u>6,224,100</u>
Subtotal		129,646,900
Lapse on Base Positions *		<u>(4,925,600)</u>
Subtotal		124,721,300
Salary Enhancements		3,386,000
Salary - 6 Commissioners		<u>78,500</u>
TOTAL	<u>1,717</u>	<u>\$ 128,185,800</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'08</u> <u>ACTUAL</u>	<u>FY'09</u> <u>ACTUAL</u>	<u>FY'10</u> <u>ACTUAL</u>	<u>FY'11</u> <u>ACTUAL</u>	<u>FY'12</u> <u>ACTUAL</u>	<u>FY'13</u> <u>APPROVED</u>	<u>FY'14</u> <u>APPROVED</u>
Population Served **	1,693,000	1,710,000	1,727,000	1,734,000	1,742,000	1,749,000	1,757,000
Customer Accounts	433,967	433,579	434,773	438,193	439,805	446,193	447,805
Water Produced (average MGD)	168.2	162.3	168.7	175.0	165.7	170.0	170.0
Water Produced (millions of gallons)	61,572	59,255	61,590	63,861	60,648	62,050	62,050
Water Mains Maintained (miles)	5,403	5,427	5,438	5,451	5,471	5,551	5,571
Water Mains Constructed (miles added by WSSC)	0.2	0.5	1.5	-	0.3	5	5
Water Mains Constructed (miles added by developers)	38	23	10	13	20.5	45	45
Water House Connections Maintained	436,600	438,893	440,019	441,593	444,184	449,593	452,184
Water House Connections Installed	3,884	2,293	1,126	1,574	2,591	4,000	4,000
Water Meters Issued	16,457	13,458	8,769	13,696	11,594	14,212	15,662
Sewage Systems Total Flow (average MGD)	177.8	178.6	200.3	182.4	182.9	209.3	211.0
Sewage Systems Total Flow (millions of gallons)	65,068	65,201	73,089	66,581	66,950	78,293	77,015
Sewer Mains Maintained (miles)	5,285	5,314	5,324	5,344	5,363	5,444	5,463
Sewer Mains Constructed (miles added by WSSC)	1	1.8	-	-	-	5	5
Sewer Mains Constructed (miles added by developers)	34	27	10	20	19	45	45
Sewer House Connections Maintained	414,386	416,392	417,301	418,718	421,092	426,718	429,092
Sewer House Connections Installed	3,463	2,006	909	1,417	2,374	4,000	4,000
Maintenance Work Orders (Emergency and Routine)	93,570	87,942	75,253	84,473	84,906	81,500	83,500
Vehicles in Fleet	853	865	883	927	933	937	947
Miles Traveled by Fleet	5,498,376	5,399,040	5,563,414	5,514,312	5,866,778	5,845,170	5,890,245
Water Meter Readings Completed	1,853,520	1,876,796	1,933,411	1,937,265	2,006,837	1,951,250	2,006,700
Authorized Positions	1,525	1,555	1,561	1,632	1,681	1,693	1,717
Authorized Workyears	1,525	1,555	1,561	1,632	1,681	1,693	1,717
Actual Employment Level - Beginning	1,428	1,434	1,455	1,468	1,528	1,549	
Actual Employment Level - Ending	1,434	1,455	1,468	1,528	1,549		
Actual Workyears	1,407	1,428	1,449	1,486	1,522		

** Fiscal Year's 2008 to 2013 populations revised via MWCOG/M-NCP&PC Round 8.0 Population Demographics, updated in 2011.

SELECTED FINANCIAL DATA

	<u>FY'08 ACTUAL</u>	<u>FY'09 ACTUAL</u>	<u>FY'10 ACTUAL</u>	<u>FY'11 ACTUAL</u>	<u>FY'12 ACTUAL</u>	<u>FY'13 BUDGET</u>	<u>FY'14 APPROVED</u>
1. Customer Water & Sewer Rate Percent Change							
<u>Consumption Charges</u>							
Water	7.2%	10.3%	12.1%	14.0%	11.6%	2.9%	1.9%
Sewer	6.0%	6.5%	6.8%	4.3%	5.9%	11.5%	11.6%
Combined	6.5%	8.0%	9.0%	8.5%	8.5%	7.5%	7.25%
2. Water & Sewer Bill Revenues (\$ in Thousands)							
Water Consumption Charges	\$155,897	\$159,480	\$178,349	\$211,734	\$226,286	\$240,320	\$241,112
Sewer Use Charges	216,340	218,910	234,019	248,725	255,842	300,241	329,943
Total Consumption Charges	<u>372,237</u>	<u>378,390</u>	<u>412,368</u>	<u>460,459</u>	<u>482,128</u>	<u>540,561</u>	<u>571,055</u>
Account Maintenance Fee	<u>21,888</u>	<u>21,789</u>	<u>22,886</u>	<u>22,377</u>	<u>22,386</u>	<u>22,850</u>	<u>22,850</u>
Total	<u>\$ 394,125</u>	<u>\$ 400,179</u>	<u>\$ 435,254</u>	<u>\$ 482,836</u>	<u>\$ 504,514</u>	<u>\$ 563,411</u>	<u>\$ 593,905</u>
3. Water Production (average MGD)	168.2	162.3	168.7	175.0	165.7	170.0	170.0

WATER & SEWER OPERATING FUNDS - COMBINED

(\$ In Thousands)

	<u>FY'08</u> <u>ACTUAL</u>	<u>FY'09</u> <u>ACTUAL</u>	<u>FY'10</u> <u>ACTUAL</u>	<u>FY'11</u> <u>ACTUAL</u>	<u>FY'12</u> <u>ACTUAL</u>	<u>FY'13</u> <u>APPROVED</u>	<u>FY'14</u> <u>APPROVED</u>
<u>REVENUES</u>							
Water Consumption Charges	\$ 155,897	\$ 159,480	\$ 178,349	\$ 211,734	\$ 226,286	\$ 240,320	\$ 241,112
Sewer Use Charges	216,340	218,910	234,019	248,725	255,842	300,241	329,943
Interest Income	3,872	902	707	794	647	4,000	1,000
Miscellaneous	21,177	19,288	19,053	22,831	24,788	21,147	24,104
Account Maintenance Fee	21,888	21,789	22,886	22,377	22,386	22,850	22,850
Total Revenues	<u>419,174</u>	<u>420,369</u>	<u>455,014</u>	<u>506,461</u>	<u>529,949</u>	<u>588,558</u>	<u>619,009</u>
SDC Debt Service Offset	2,711	2,612	2,498	2,398	2,293	2,192	1,428
Reconstruction Debt Service Offset	12,000	12,000	11,500	11,500	11,000	11,000	10,500
Use of Fund Balance	10,890	16,284	11,995	2,909	3,400	18,528	27,481
Total Funds Available	<u>\$ 444,775</u>	<u>\$ 451,265</u>	<u>\$ 481,007</u>	<u>\$ 523,268</u>	<u>\$ 546,642</u>	<u>\$ 620,278</u>	<u>\$ 658,418</u>
<u>EXPENDITURES</u>							
Salaries & Wages	\$ 84,702	\$ 87,396	\$ 88,907	\$ 89,423	\$ 88,666	\$ 100,629	\$ 104,056
Heat, Light & Power	23,025	26,315	28,187	28,599	24,658	24,223	23,910
Regional Sewage Disposal	42,384	44,767	47,013	46,208	49,483	51,309	53,207
Debt Service							
Principal Payments	97,082	103,165	112,953	110,127	128,402	139,290	165,346
Interest Payments	39,405	37,931	36,260	42,355	47,269	72,677	60,783
Debt Reduction (PAYGO)	-	-	-	-	-	-	13,782
All Other	144,544	157,689	155,504	167,975	180,082	232,150	237,334
Total Expenditures	<u>\$ 431,142</u>	<u>\$ 457,263</u>	<u>\$ 468,824</u>	<u>\$ 484,687</u>	<u>\$ 518,560</u>	<u>\$ 620,278</u>	<u>\$ 658,418</u>
Water Production (average MGD)	168.2	162.3	168.7	175.0	165.7	170.0	170.0

CAPITAL BUDGET VS. ACTUAL EXPENSES
FY'90 - FY'12
(\$ in Thousands)

Fiscal Year	Water Supply		Sewage Disposal		General Construction		Storm Drain		Total Capital	
	Approved Budget	Actual Expenses	Approved Budget	Actual Expenses	Approved Budget	Actual Expenses	Approved Budget	Actual Expenses	Approved Budget	Actual Expenses
1990	\$ 79,788	\$ 42,010	\$ 164,712	\$ 77,760	\$ 127,733	\$ 90,039	\$ 172	\$ 209	\$ 372,405	\$ 210,018
1991	76,220	37,257	136,135	63,371	117,216	83,007	-	-	329,571	183,635
1992	87,004	72,459	109,438	57,958	96,851	25,481	-	-	293,293	155,898
1993	73,299	58,025	92,005	44,189	93,887	50,206	-	-	259,191	152,420
1994	66,371	46,869	83,181	49,330	84,138	49,686	-	-	233,690	145,885
1995	49,311	31,526	85,342	63,871	86,947	73,363	-	-	221,600	168,760
1996	43,638	40,364	53,337	47,385	86,705	51,421	-	-	183,680	139,170
1997	56,827	42,509	89,311	68,513	86,921	54,844	-	-	233,059	165,866
1998	79,065	66,349	60,936	38,510	89,961	46,143	-	-	229,962	151,002
1999	79,079	67,245	59,689	30,821	65,217	50,820	-	-	203,985	148,886
2000	60,111	43,037	88,458	48,868	62,871	49,039	-	-	211,440	140,944
2001	61,968	38,350	81,801	68,568	52,426	40,086	-	-	196,195	147,004
2002	54,972	44,094	104,820	61,073	34,272	31,765	-	-	194,065	136,932
2003	56,124	37,478	108,276	97,446	35,892	18,226	-	-	200,292	153,150
2004	78,314	55,626	95,777	104,400	36,364	20,250	-	-	210,455	180,276
2005	96,998	59,997	97,271	63,210	31,361	23,692	-	-	225,630	146,899
2006	112,678	78,267	117,776	55,558	34,365	15,621	-	-	264,819	149,446
2007	122,550	76,151	108,731	60,033	23,730	23,750	-	-	255,011	159,934
2008	142,820	88,908	108,358	71,705	30,403	22,668	-	-	281,581	183,281
2009	185,620	106,490	142,718	82,687	32,637	24,271	-	-	360,975	213,448
2010	147,484	111,158	191,008	95,232	32,660	34,092	-	-	371,152	240,482
2011	181,815	104,278	276,524	94,308	36,361	41,664	-	-	494,700	240,250
2012	198,844	158,078	332,424	262,507	34,654	14,912	-	-	565,922	435,497

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 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

Purposes of Fund - 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

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 \$2.95 to \$6.76 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.

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. A portion of SDC revenues will be used for continued payment of the debt service on bonds issued in FY'94 (the first year of the SDC). Debt service on bonds issued to fund growth-related CIP projects in subsequent 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); and fees charged for the use of recreational facilities in the WSSC's watershed areas.

Water Operating Fund Revenue Sources

(\$ In Thousands)

	FY'11 <u>Actual</u>	FY'12 <u>Actual</u>	FY'13 <u>Approved</u>	FY'14 <u>Approved</u>
Water Consumption Charges	\$211,734	\$226,286	\$240,320	\$241,112
Account Maintenance Fee	11,412	11,417	11,425	11,425
Plumbing & Inspection Fees	2,564	2,922	2,893	2,780
Interest	117	73	1,500	300
SDC Debt Service Offset	495	471	451	290
Miscellaneous	9,113	10,103	6,320	10,600

OPERATING FUNDS

(Continued)

Sewer Operating Fund

Purposes of Fund - 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

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 \$4.06 to \$10.29 per 1,000 gallons of metered water. Customers who receive sewage disposal services only are currently charged at a flat rate of \$100.00 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.

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. A portion of SDC revenues will be used for continued payment of the debt service on bonds issued in FY'94 (the first year of the SDC). Debt service on bonds issued to fund growth-related CIP projects in subsequent 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'11</u> <u>Actual</u>	<u>FY'12</u> <u>Actual</u>	<u>FY'13</u> <u>Approved</u>	<u>FY'14</u> <u>Approved</u>
Sewer Use Charges	\$248,725	\$255,842	\$300,241	\$329,943
Account Maintenance Fee	10,965	10,969	11,425	11,425
Plumbing & Inspection Fees	2,564	2,922	2,930	2,780
Interest	677	574	2,500	700
Rockville Sewer Use	2,614	2,500	2,404	2,444
SDC Debt Service Offset	1,903	1,822	1,741	1,138
Miscellaneous	5,976	6,341	6,600	5,500

OPERATING FUNDS

(Continued)

General Bond Debt Service Fund

Purposes of Fund - To pay the principal and interest on General Construction Bonds.

Sources of Revenue

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>Water</u>	<u>Sewer</u>
<u>Subdivision</u>		
First 150 Feet	\$4.00	\$6.00
Next 150 Feet	3.00	4.50
Over 300 Feet	2.00	3.00
<u>Business</u>		
All Footage	5.32	7.98

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 fund, General Bond Debt Service, and General Construction Bond Funds.

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

General Bond Debt Service Fund Revenue Sources

(\$ In Thousands)

	<u>FY'11</u> <u>Actual</u>	<u>FY'12</u> <u>Actual</u>	<u>FY'13</u> <u>Approved</u>	<u>FY'14</u> <u>Approved</u>
Front Foot Benefit Charges and Deferred House Connection Charges	\$59,595	\$54,226	\$46,696	\$37,823
Interest	273	68	2,424	1,176
Miscellaneous	574	795	700	700

CONSOLIDATED STATEMENT OF OPERATING FUNDS, REVENUES, AND EXPENDITURES

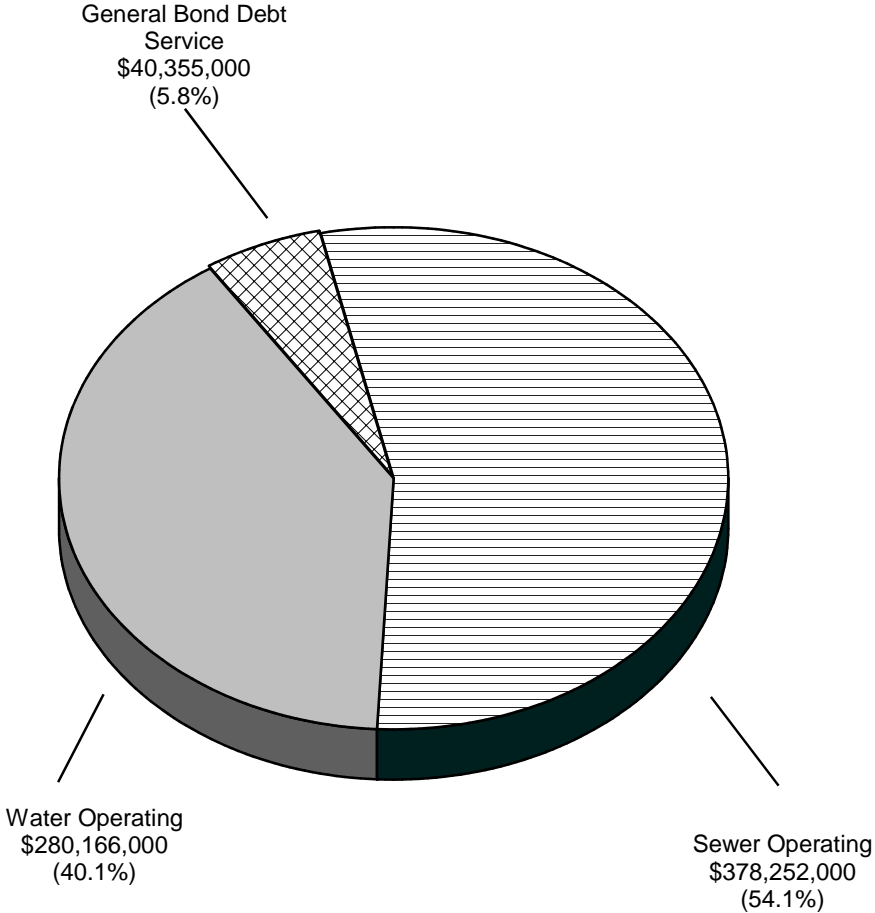
(\$ In Thousands)

	<u>FY'12 Actual</u>	<u>FY'13 Approved Budget</u>	<u>FY'14 Approved Budget</u>
<u>REVENUES</u>			
Water Consumption Charges	\$226,286	\$240,320	\$241,112
Sewer Use Charges	255,842	300,241	329,943
Account Maintenance Fee	22,386	22,850	22,850
Front Foot Benefit & House Connection Charges (Deferred)	54,226	46,696	37,823
Plumbing & Inspection Fees	5,844	5,823	5,560
Interest Income	715	6,424	2,176
Rockville Sewer Use	2,500	2,404	2,444
Use of Fund Balance	3,400	18,528	27,481
Miscellaneous	<u>17,239</u>	<u>13,620</u>	<u>16,800</u>
TOTAL REVENUES	<u>588,438</u>	<u>656,906</u>	<u>686,189</u>
<u>EXPENSES</u>			
Salaries & Wages	89,144	101,233	104,645
Heat, Light & Power	24,658	24,223	23,910
Regional Sewage Disposal	49,483	51,309	53,207
All Other	180,689	233,095	238,420
Debt Reduction (PAYGO)	-	-	13,782
Debt Service			
Principal Payments	163,679	166,611	194,170
Interest Payments	<u>59,331</u>	<u>85,262</u>	<u>70,639</u>
GROSS EXPENSES	<u>566,984</u>	<u>661,733</u>	<u>698,773</u>
Less: Reconstruction Debt Service Offset	(11,000)	(11,000)	(10,500)
SDC Debt Service Offset	<u>(2,293)</u>	<u>(2,192)</u>	<u>(1,428)</u>
NET EXPENSES	<u>553,691</u>	<u>648,541</u>	<u>686,845</u>
NET REVENUE (LOSS) FOR YEAR	<u>\$ 34,747</u>	<u>\$ 8,365</u>	<u>\$ (656)</u>

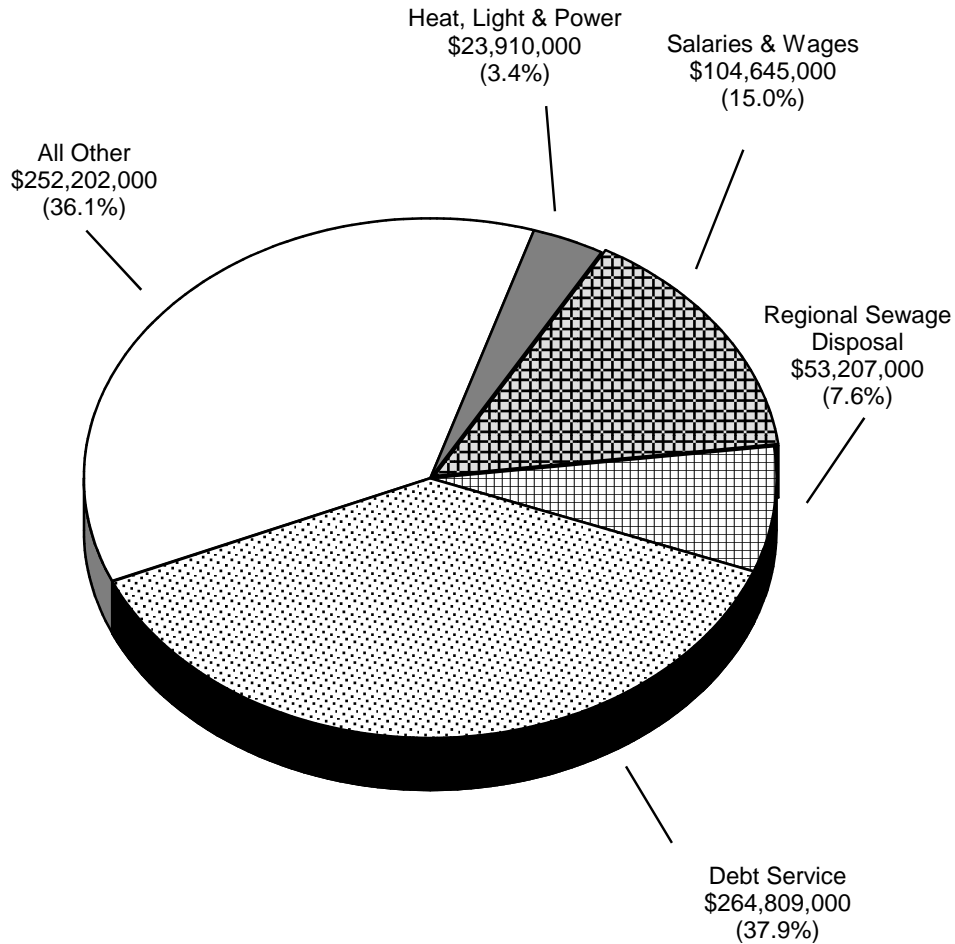
FY 2014 APPROVED BUDGET

OPERATING EXPENDITURES

BY FUND



BY MAJOR EXPENSE CATEGORY



TOTAL OPERATING = \$698,773,000

WATER OPERATING

(\$ In Thousands)

	<u>FY'12 Actual</u>	<u>FY'13 Approved Budget</u>	<u>FY'14 Approved Budget</u>
<u>REVENUES</u>			
Water Consumption Charges	\$ 226,286	\$ 240,320	\$ 241,112
Account Maintenance Fee	11,417	11,425	11,425
Plumbing & Inspection Fees	2,922	2,893	2,780
Interest Income	73	1,500	300
Use of Fund Balance	-	6,428	13,659
Miscellaneous	10,103	6,320	10,600
Reserve Requirement	(8,000)	-	-
TOTAL REVENUES	<u>242,801</u>	<u>268,886</u>	<u>279,876</u>
<u>EXPENSES</u>			
Salaries & Wages	46,236	52,157	54,125
Heat, Light & Power	15,100	12,875	12,718
All Other	84,388	107,748	109,913
Debt Reduction (PAYGO)	-	-	6,891
Debt Service			
Principal Payments	61,019	63,500	70,269
Interest Payments	22,795	33,057	26,250
GROSS EXPENSES	<u>229,538</u>	<u>269,337</u>	<u>280,166</u>
Less: Reconstruction Debt Service Offset	-	-	-
SDC Debt Service Offset	(471)	(451)	(290)
NET EXPENSES	<u>229,067</u>	<u>268,886</u>	<u>279,876</u>
NET REVENUE (LOSS) FOR YEAR	<u>\$ 13,734</u>	<u>\$ -</u>	<u>\$ -</u>

SEWER OPERATING

(\$ In Thousands)

	<u>FY'12 Actual</u>	<u>FY'13 Approved Budget</u>	<u>FY'14 Approved Budget</u>
<u>REVENUES</u>			
Sewer Use Charges	\$ 255,842	\$ 300,241	\$ 329,943
Account Maintenance Fee	10,969	11,425	11,425
Plumbing & Inspection Fees	2,922	2,930	2,780
Interest Income	574	2,500	700
Rockville Sewer Use	2,500	2,404	2,444
Use of Fund Balance	3,400	12,100	13,822
Miscellaneous	6,341	6,600	5,500
Reserve Requirement	8,000	-	-
TOTAL REVENUES	<u>290,548</u>	<u>338,200</u>	<u>366,614</u>
<u>EXPENSES</u>			
Salaries & Wages	42,430	48,472	49,931
Heat, Light & Power	9,558	11,348	11,192
Regional Sewage Disposal	49,483	51,309	53,207
All Other	95,694	124,402	127,421
Debt Reduction (PAYGO)	-	-	6,891
Debt Service			
Principal Payments	67,383	75,790	95,077
Interest Payments	24,474	39,620	34,533
GROSS EXPENSES	<u>289,022</u>	<u>350,941</u>	<u>378,252</u>
Less: Reconstruction Debt Service Offset	(11,000)	(11,000)	(10,500)
SDC Debt Service Offset	(1,822)	(1,741)	(1,138)
NET EXPENSES	<u>276,200</u>	<u>338,200</u>	<u>366,614</u>
NET REVENUE (LOSS) FOR YEAR	<u>\$ 14,348</u>	<u>\$ -</u>	<u>\$ -</u>

GENERAL BOND DEBT SERVICE

(\$ In Thousands)

	<u>FY'12 Actual</u>	<u>FY'13 Approved Budget</u>	<u>FY'14 Approved Budget</u>
<u>REVENUES</u>			
Front Foot Benefit & House Connection Charges (Deferred)	\$ 54,226	\$ 46,696	\$ 37,823
Interest Income	68	2,424	1,176
Miscellaneous	795	700	700
Use of Fund Balance	11,000	11,000	10,500
Reconstruction Debt Service Offset	<u>(11,000)</u>	<u>(11,000)</u>	<u>(10,500)</u>
TOTAL REVENUES	<u>55,089</u>	<u>49,820</u>	<u>39,699</u>
<u>EXPENSES</u>			
Salaries & Wages	478	604	589
All Other	607	945	1,086
Debt Service			
Principal Payments	35,277	27,321	28,824
Interest Payments	<u>12,062</u>	<u>12,585</u>	<u>9,856</u>
TOTAL EXPENSES	<u>48,424</u>	<u>41,455</u>	<u>40,355</u>
NET REVENUE (LOSS) FOR YEAR	<u>\$ 6,665</u>	<u>\$ 8,365</u>	<u>\$ (656)</u>

CAPITAL BUDGET

SECTION 7

CAPITAL FUNDS

PURPOSES OF FUNDS - SOURCES OF REVENUE

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

Water Supply Bond Fund

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

Sources of Revenue

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

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

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

CAPITAL FUNDS

(Continued)

Sewage Disposal Bond Fund

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

Sources of Revenue

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

Anticipated Contributions (Federal) - federal grant funds.

Anticipated Contributions (State) - state grant funds.

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

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

CAPITAL FUNDS

(Continued)

General Construction Bond Fund

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

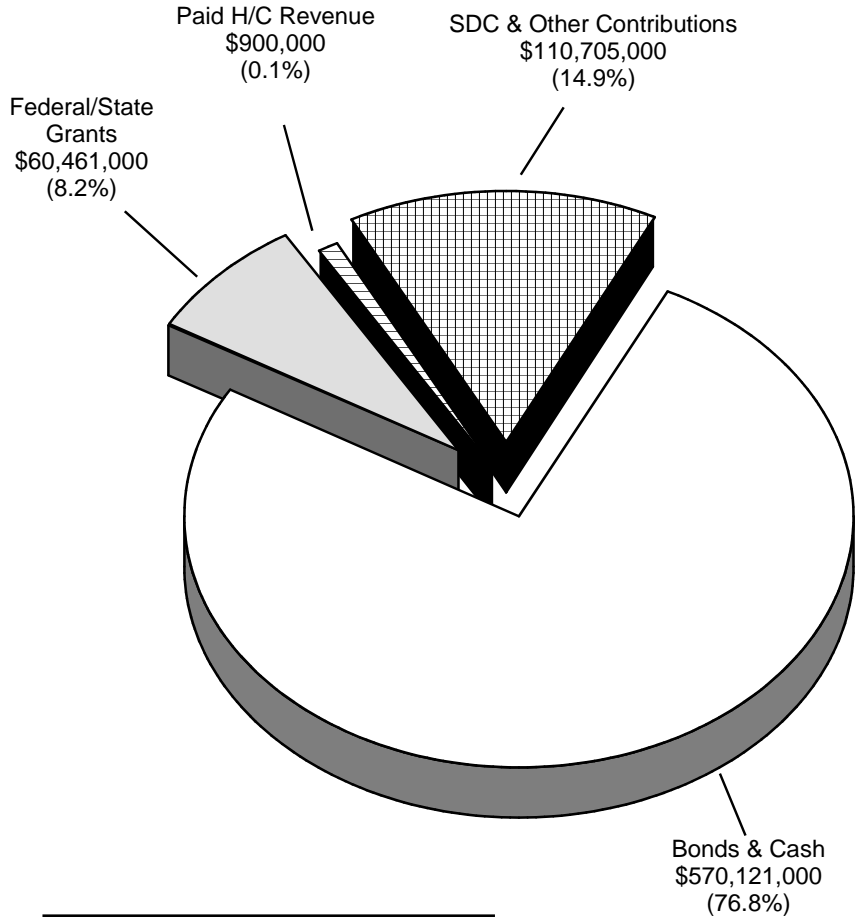
Sources of Revenue

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

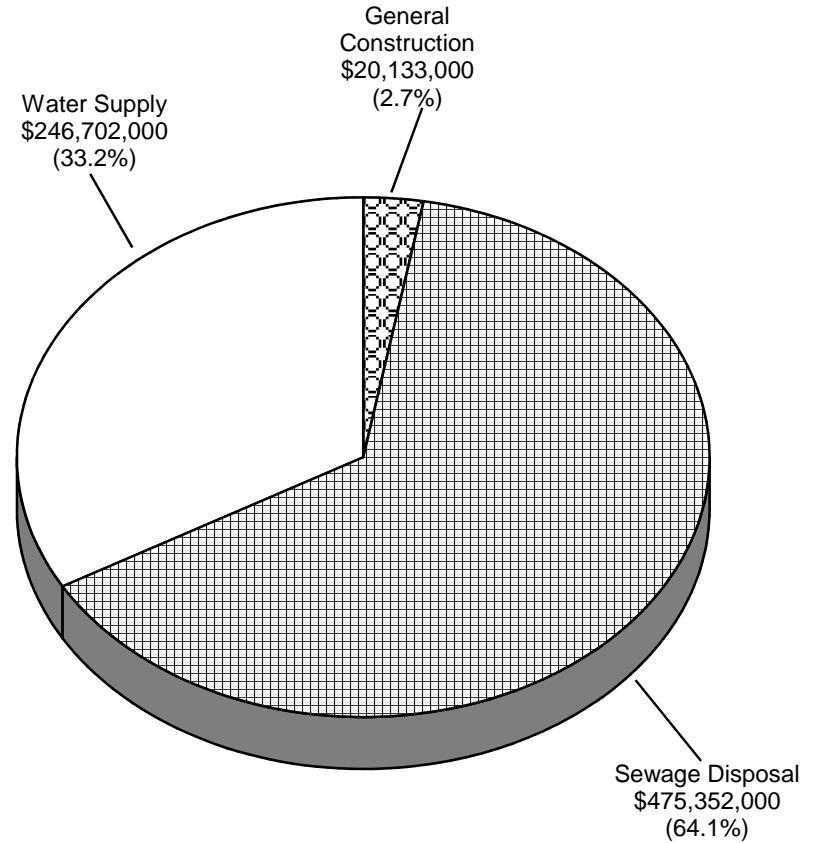
Anticipated Contributions - house connection charges which are paid as a lump sum, and contributions made by private parties for the excess cost of extending lateral water and sewer lines to certain areas.

FY 2014 APPROVED BUDGET CAPITAL

BY SOURCE



BY FUND



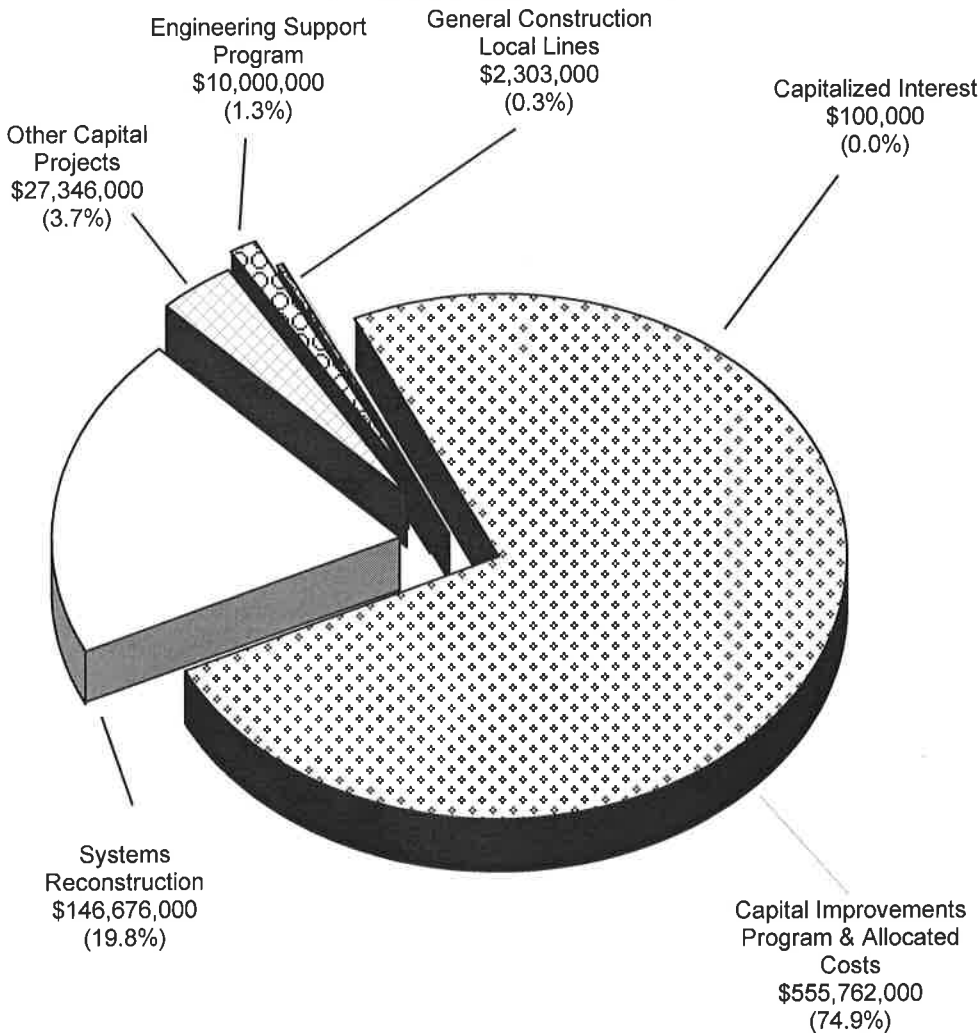
SDC = System Development Charge
H/C = House Connection

TOTAL CAPITAL = \$742,187,000

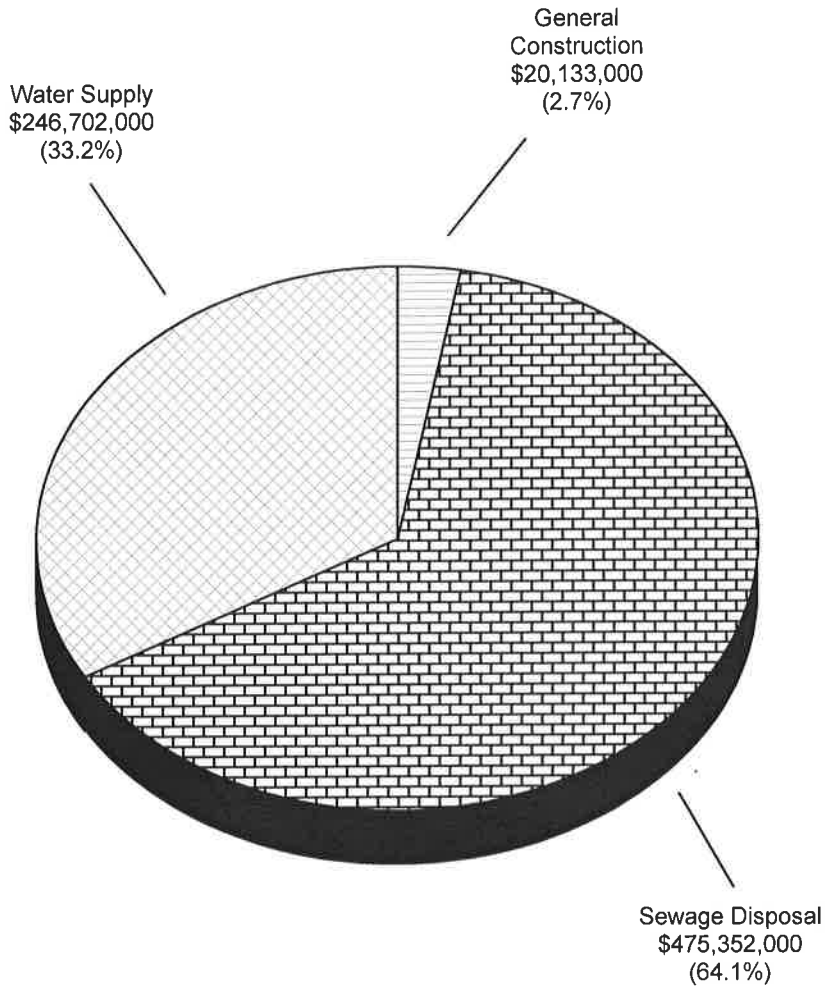
FY 2014 APPROVED BUDGET

CAPITAL EXPENDITURES

BY PROGRAM



BY FUND



TOTAL CAPITAL = \$742,187,000

STATEMENT OF CAPITAL FUNDS, INCOME, AND EXPENDITURES

CAPITAL FUNDS TOTAL

(\$ In Thousands)

	<u>FY'12 Actual</u>	<u>FY'13 Approved Budget</u>	<u>FY'14 Approved Budget</u>
<u>GROSS FUNDS AVAILABLE</u>			
Bonds Issued and Cash on Hand	\$ 325,023	\$ 576,148	\$ 570,121
Anticipated Contributions:			
Federal and State Grants	50,444	77,228	60,461
System Development Charge (SDC)	48,400	119,140	90,274
Other	16,620	15,489	21,331
Available for Current Construction	<u>440,487</u>	<u>788,005</u>	<u>742,187</u>
<u>CAPITAL COSTS</u>			
Salaries & Wages	23,575	23,651	23,541
Contract Work	190,925	396,985	378,963
Consulting Engineers	51,848	83,267	113,090
Debt Service (Capitalized Interest)	-	100	100
All Other	169,149	284,002	226,493
TOTAL COSTS	<u>435,497</u>	<u>788,005</u>	<u>742,187</u>
Funds Available After Current Construction	<u>\$ 4,990</u>	<u>\$ -</u>	<u>\$ -</u>

FY'14 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	\$ 555,762	\$ 130,257	\$ 411,047	\$ 14,458
Systems Reconstruction Program	146,676	96,774	49,902	-
Engineering Support Program	10,000	4,400	5,600	-
Other Capital Projects	27,346	15,271	8,803	3,272
General Construction - Local Lines	2,303	-	-	2,303
Capitalized Interest	100	-	-	100
TOTAL	<u><u>\$ 742,187</u></u>	<u><u>\$ 246,702</u></u>	<u><u>\$ 475,352</u></u>	<u><u>\$ 20,133</u></u>

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

*FY'14 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'14 TOTAL</u>
<u>MONTGOMERY COUNTY</u>						
W-3.02	Olney Standpipe Replacement	\$ -	\$ 70	\$ 2,200	\$ 341	\$ 2,611
W-46.14	Clarksburg Area Stage 3 Water Main, Parts 1, 2, & 3	-	368	1,661	304	2,333
W-46.15	Clarksburg Elevated Water Storage Facility	-	200	-	30	230
W-46.18	Newcut Road Water Main, Part 2	-	10	212	33	255
W-46.24	Clarksburg Area Stage 3 Water Main, Part 4	-	233	1,935	325	2,493
W-90.04	Brink Zone Reliability Improvements	-	300	-	45	345
W-138.02	Shady Grove Standpipe Replacement	-	61	1,750	272	2,083
W-153.00	Laytonsville Elevated Tank & Pumping Station	-	76	450	79	605
	<i>MONTGOMERY COUNTY SUBTOTALS</i>	\$ -	\$ 1,318	\$ 8,208	\$ 1,429	\$ 10,955
<u>BI-COUNTY</u>						
W-73.16	Potomac WFP Improvements	\$ -	\$ -	\$ 189	\$ 19	\$ 208
W-73.18	Power Reliability and Arc Flash Implementation	-	780	-	117	897
W-73.19	Potomac WFP Outdoor Substation No. 2 Replacement	-	600	1,500	210	2,310
W-73.20	Potomac WFP Stage 2 Disinfection Byproducts Rule Implementation	-	889	2,000	433	3,322
W-73.21	Potomac WFP Corrosion Mitigation	-	120	3,918	606	4,644
W-73.22	Potomac WFP Pre-Filter Chlorination & Air Scour Improvements	-	660	-	99	759
W-73.30	Potomac WFP Submerged Channel Intake	-	1,115	-	112	1,227
W-73.32	Potomac WFP Main Zone Pipeline	-	159	-	24	183
W-127.01	Bi-County Water Tunnel	-	2,800	10,329	1,313	14,442
W-139.02	Duckett & Brighton Dam Upgrades	-	524	4,952	548	6,024
W-161.01	Large Diameter Water Pipe Rehabilitation Program	-	1,680	31,982	3,366	37,028
W-172.05	Patuxent WFP Phase II Expansion	-	2,596	21,012	2,361	25,969
W-172.07	Patuxent Raw Water Pipeline	-	210	2,607	282	3,099
W-172.08	Rocky Gorge Pump Station Upgrade	-	286	2,631	292	3,209
W-202.00	Land & Rights-of-Way Acquisition - Bi-County	18	-	-	-	18
	<i>BI-COUNTY SUBTOTALS</i>	\$ 18	\$ 12,419	\$ 81,120	\$ 9,782	\$ 103,339

*FY'14 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'14 TOTAL</u>
<u>PRINCE GEORGE'S COUNTY</u>						
W-12.02	Prince George's County HG415 Zone Water Main	\$ -	\$ 155	\$ 1,320	\$ 221	\$ 1,696
W-34.02	Old Branch Avenue Water Main	-	261	-	27	288
W-34.03	Water Transmission Improvements 385B Pressure Zone	-	550	4,700	525	5,775
W-34.04	Branch Avenue Water Transmission Improvements	-	500	-	50	550
W-34.05	Marlboro Zone Reinforcement Main	-	400	-	60	460
W-62.05	Clinton Zone Water Storage Facility Implementation	-	738	-	74	812
W-65.10	Prince George's High Zone Elevated Tank	-	170	250	62	482
W-84.05	Prince George's County 450A Zone Water Main	-	160	-	24	184
W-111.05	Hillmeade Road Water Main	-	66	2,775	426	3,267
W-119.01	John Hanson Highway Water Main, Part 1	-	155	1,100	188	1,443
W-123.20	Oak Grove/Leeland Roads Water Main, Part 2	-	40	5,057	509	5,606
W-129.12	Church Road Water Main & PRV, Part 2	-	44	-	7	51
W-137.02	South Potomac Supply Improvement	-	334	3,400	560	4,294
W-147.00	Collington Elevated Water Storage Facility	-	400	7,800	820	9,020
W-147.01	Marlboro Zone Water Storage Facility	-	-	-	-	-
W-197.00	DSP & Conceptual Design Water Projects	-	470	1,585	308	2,363
W-204.00	Land & Rights-of-Way Acquisition - Prince George's	845	-	-	-	845
<i>PRINCE GEORGE'S COUNTY SUBTOTALS</i>		\$ 845	\$ 4,443	\$ 27,987	\$ 3,861	\$ 37,136
<u>GRAND TOTAL WATER PROJECTS</u>		<u>\$ 863</u>	<u>\$ 18,180</u>	<u>\$ 117,315</u>	<u>\$ 15,072</u>	<u>\$ 151,430</u>

*FY'14 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'14 TOTAL</u>
<u>MONTGOMERY COUNTY</u>						
S-25.03	Twinbrook Commons Sewer	\$ -	\$ 7	\$ 94	\$ 15	\$ 116
S-25.04	Mid-Pike Plaza Sewer Main, Phase 1	-	49	533	87	669
S-25.05	Mid-Pike Plaza Sewer Main, Phase 2	-	247	2,125	356	2,728
S-38.01	Preserve at Rock Creek Wastewater Pumping Station	-	30	200	35	265
S-38.02	Preserve at Rock Creek WWPS Force Main	-	5	59	10	74
S-53.21	Seneca WWTP Enhanced Nutrient Removal	-	610	1,600	332	2,542
S-53.22	Seneca WWTP Expansion, Part 2	-	1,067	5,265	633	6,965
S-82.21	Montgomery College Germantown Campus Sewer	-	81	35	17	133
S-84.47	Clarksburg Triangle Outfall Sewer, Part 2	-	134	1,021	173	1,328
S-84.60	Cabin Branch Wastewater Pumping Station	-	80	300	57	437
S-84.61	Cabin Branch WWPS Force Main	-	26	94	18	138
S-84.65	Tapestry Wastewater Pumping Station	-	33	154	29	216
S-84.66	Tapestry WWPS Force Main	-	5	34	6	45
S-94.12	Damascus WWTP Enhanced Nutrient Removal	-	10	10	3	23
S-201.00	Land & Rights-of-Way Acquisition - Montgomery	12	-	-	-	12
<i>MONTGOMERY COUNTY SUBTOTALS</i>		\$ 12	\$ 2,384	\$ 11,524	\$ 1,771	\$ 15,691
<u>BI-COUNTY</u>						
S-22.06	Blue Plains WWTP: Liquid Train Projects, Part 2	\$ -	\$ 2,158	\$ 3,097	\$ 53	\$ 5,308
S-22.07	Blue Plains WWTP: Biosolids Management, Part 2	-	9,090	62,696	718	72,504
S-22.08	Blue Plains WWTP: Biological Nutrient Removal	-	807	3,130	39	3,976
S-22.09	Blue Plains WWTP: Plant-wide Projects	-	2,296	6,012	83	8,391
S-22.10	Blue Plains WWTP: Enhanced Nutrient Removal	-	12,038	48,324	604	60,966
S-22.11	Blue Plains: Pipelines & Appurtenances	-	3,192	11,119	143	14,454

*FY'14 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'14 TOTAL</u>
<u>BI-COUNTY (CONTINUED)</u>						
S-89.22	Anacostia Storage Facility	\$ -	\$ 200	\$ 1,828	\$ 203	\$ 2,231
S-170.08	Septage Discharge Facility Planning & Implementation	-	500	-	50	550
S-170.09	Trunk Sewer Reconstruction Program	-	79,909	78,400	27,937	186,246
	<i>BI-COUNTY SUBTOTALS</i>	\$ -	\$ 110,190	\$ 214,606	\$ 29,830	\$ 354,626
<u>PRINCE GEORGE'S COUNTY</u>						
S-43.02	Broad Creek WWPS Augmentation	\$ -	\$ 4,400	\$ 44,000	\$ 4,840	\$ 53,240
S-57.92	Western Branch Facility Upgrade	-	2,200	13,980	1,618	17,798
S-57.93	Western Branch WWTP Enhanced Nutrient Removal	-	1,100	12,400	1,350	14,850
S-57.94	Western Branch WWTP Incinerator Emissions Control	-	1,580	-	158	1,738
S-75.21	Mattawoman WWTP Upgrades	-	363	1,231	16	1,610
S-77.18	Parkway WWTP Enhanced Nutrient Removal	-	118	847	97	1,062
S-77.19	Parkway WWTP Biosolids Facility Plan Implementation	-	1,513	10,088	1,160	12,761
S-96.14	Piscataway WWTP Facility Upgrades	-	200	-	20	220
S-131.10	Fort Washington Forest No. 1 WWPS Augmentation	-	90	600	104	794
S-187.00	DSP & Conceptual Design Sewer Projects	-	442	2,578	460	3,480
	<i>PRINCE GEORGE'S COUNTY SUBTOTALS</i>	\$ -	\$ 12,006	\$ 85,724	\$ 9,823	\$ 107,553
	<u>GRAND TOTAL SEWER PROJECTS</u>	\$ 12	\$ 124,580	\$ 311,854	\$ 41,424	\$ 477,870

WATER AND SEWER RATES AND OTHER MISCELLANEOUS FEES

SECTION 8

Annual Customer Bills At Various Consumption Levels

Average Daily Consumption (ADC) Gallons Per Day	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
100 (36,500 GAL/YR) Residential Meter	\$ 290.74	\$ 310.82	\$ 333.45	\$ 354.98	\$ 377.61
210 (76,650 GAL/YR) Residential Meter	705.49	760.68	821.23	879.49	940.04
500 (182,500 GAL/YR) Residential Meter	2,093.48	2,263.20	2,451.18	2,631.85	2,819.83
1,000 (365,000 GAL/YR) 2" Meter	4,536.55	4,890.60	5,288.45	5,675.35	6,073.20
5,000 (1,825,000 GAL/YR) 3" Meter	22,523.50	24,348.50	26,392.50	28,363.50	30,389.25
10,000 (3,650,000 GAL/YR) 6" Meter	46,901.50	50,661.00	54,895.00	58,983.00	63,180.50

Annual customer bills include the Account Maintenance Fee shown on page 8-3.

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

APPROVED FOR IMPLEMENTATION JULY 1, 2013

Average Daily Consumption by Customer Unit During Billing Period (Gallons Per Day)	Water Rates		Sewer Rates		Combined Water & Sewer Rates	
	July 1, 2012 Rate Per 1,000 Gallons	July 1, 2013 Rates Per 1,000 Gallons	July 1, 2012 Rate Per 1,000 Gallons	July 1, 2013 Rates Per 1,000 Gallons	July 1, 2012 Rate Per 1,000 Gallons	July 1, 2013 Rates Per 1,000 Gallons
0-49	\$ 2.90	\$ 2.95	\$ 3.64	\$ 4.06	\$6.54	\$ 7.01
50-99	3.24	3.29	4.25	4.74	7.49	8.03
100-149	3.55	3.61	4.97	5.53	8.52	9.14
150-199	3.99	4.05	5.73	6.37	9.72	10.42
200-249	4.65	4.73	6.25	6.96	10.90	11.69
250-299	5.04	5.13	6.76	7.53	11.80	12.66
300-349	5.33	5.42	7.22	8.04	12.55	13.46
350-399	5.57	5.66	7.56	8.42	13.13	14.08
400-449	5.78	5.88	7.73	8.61	13.51	14.49
450-499	5.93	6.03	7.98	8.89	13.91	14.92
500-749	6.04	6.14	8.14	9.07	14.18	15.21
750-999	6.19	6.29	8.32	9.27	14.51	15.56
1,000-3,999	6.31	6.41	8.68	9.67	14.99	16.08
4,000-6,999	6.46	6.56	8.88	9.89	15.34	16.45
7,000-8,999	6.53	6.64	9.01	10.03	15.54	16.67
9,000 & Greater	6.66	6.76	9.24	10.29	15.90	17.05

Flat Rate Sewer Charge - \$100.00 per quarter

ACCOUNT MAINTENANCE FEES

APPROVED FOR IMPLEMENTATION JULY 1, 2013

<u>Meter Size</u>	<u>Current FY'13 Quarterly Charges</u>	<u>Approved FY'14 Quarterly Charges</u>
<u>Small Meters</u>		
5/8" to 1-1/2" (Residential)	\$ 11.00	\$ 11.00
<u>Large Meters</u>		
1-1/2" (Commercial)	31.00	31.00
2"	51.00	51.00
3"	92.00	92.00
4"	145.00	145.00
6"	237.00	237.00
8"	379.00	379.00
10" & 12"	458.00	458.00
<u>Detector Check Meters</u>		
2" to 4"	53.00	53.00
6"	73.00	73.00
8"	197.00	197.00
10"	256.00	256.00

FY'14 APPROVED FEES AND CHARGES

(Effective July 1, 2013)

APPROVED CHARGE

1. INSPECTION FEES

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

New Single Family Detached Dwellings	\$550
New Attached Dwellings (townhouse/multiplex excluding apartments)	550
All Other Residential:	
Water/Well Hookup	75
Meter Yoke Inspection (meter only installation)	75
Water Hookup Converting from Well (includes 2 inspections)	150
Sewer/Septic Hookup	75
First Plumbing Fixture	75
Each Additional Fixture	25
SDC Credit Fixture Inspection (per fixture)	20
Minimum Permit Fee	170
Permit Reprocessing Fee	50
Long Form Permit Refund Fee	170
All Non-Residential:	
Plan Review (without Permit Application)	
50 Fixtures or Less	360
51-200 Fixtures	1,220
Over 200 Fixtures	2,430
2 nd or 3 rd Review (with or without Permit Application)	
50 Fixtures or Less	145
51-200 Fixtures	275
Over 200 Fixtures	580
Water/Well Hookup	140
Meter Yoke Inspection (meter only installation)	140
Sewer/Septic Hookup	140
FOG Interceptor	140
First Plumbing Fixture	140
Each Additional Fixture	35
SDC Credit Fixture Inspection (per fixture)	20
Minimum Permit Fee	210
Permit Reprocessing Fee	50
Long Form Permit Refund Fee	210

FY'14 APPROVED FEES AND CHARGES

(Effective July 1, 2013)

APPROVED CHARGE

2. SITE UTILITY (ON-SITE) REVIEW FEE

Base Fee	\$2,900
Additional Fee per 100 feet	250
Minor (Waived) Site Utility (On-Site) Fee	660

3. LICENSE FEES FOR THE REGULATED TRADES

Reciprocal Master Plumber, Gasfitter	
- Initial Registration per type	\$80/2 years
- Registration Renewal all types	80/2 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 Registration	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

FY'14 APPROVED FEES AND CHARGES

(Effective July 1, 2013)

APPROVED CHARGE

4. SHORT FORM PERMIT FEE (up to 3 fixtures) – Non-Refundable	\$60
5. FEE FOR SALE OF COPIES OF PLANS, PLATS & 200' REFERENCE MAPS	
Xerographic	\$3.50/sheet
Sepia/Mylar	5.00/sheet
6. FEE FOR SALE OF WSSC PLUMBING AND FUEL GAS CODE (PLUMBING CODE) and Cross Connection Control Manual	
Sale of Plumbing Regulation (per book)	\$30/book
7. SEPTIC HAULER DISCHARGE PERMIT STICKER	
<u>CATEGORY I</u>	
<u>Residential & Septic Waste & Grease</u>	
1 - 49 Gallons	\$190/vehicle
50 - 799 Gallons	2,740/vehicle
800 - 2,999 Gallons	7,805/vehicle
3,000 Gallons and Up	18,525/vehicle
January through June	50% of fee
Transfer and/or Replacement Permit Sticker	60
Industrial/Special Waste Disposal Fee	240/1,000 gallons
Zero Discharge Permit Fee	60
Temporary Discharge Permit Fee	60 + Sewer Rate/1,000 gallons
Sewer Rate – Domestic Low Strength Wastewater	7.79/1,000 gallons of truck capacity
Sewer Rate – Domestic High Strength Wastewater	37.31/1,000 gallons of truck capacity
8. LONG FORM PERMIT TRANSFER FEE	\$115
9. SMALL METER REPLACEMENT FEE (at Customer Request)	\$170
10. METER REPLACEMENT FEE (Damaged or Stolen Meter)	
5/8" Encoder (outside)	\$150
5/8" Encoder	150
3/4" Encoder (outside)	150
3/4" Encoder	150
1" Encoder (outside)	150

FY'14 APPROVED FEES AND CHARGES

(Effective July 1, 2013)

APPROVED CHARGE

1" Encoder	150
1-1/2"	650
2" Standard	900
3" Compound	2,750
4" Compound	3,400
6" Compound	5,050
2" MVR	1,100
3" MVR	1,750
4" MVR	2,500
6" MVR	3,900
2" Detector Check	1,250
4" Detector Check	3,100
6" Detector Check	3,600
8" Detector Check	4,800
10" Detector Check	6,500
12" Detector Check	9,000
4" FM w/2" MVR	7,000
6" FM w/3" MVR	8,500
8" FM w/4" MVR	9,950
10" FM w/6" MVR	14,225
12" FM	16,250

11. METER TESTING FEES

5/8" to 1"	\$190
1-1/2"	330
2" and up	385

12. SUB-METER INSTALLATION FEES

One-time Sub-Meter Charge - Small	\$225
One-time Sub-Meter Charge - Large	400
One-time Inspection Fee	50
Minimum Permit Inspection Fee	140

13. TAPPER LICENSE FEE

Permit Fee	\$300
Duplicate Fee	25

FY'14 APPROVED FEES AND CHARGES

(Effective July 1, 2013)

APPROVED CHARGE

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	330
3" Meter - Deposit	1,980
Service Charge	
2 Weeks or Less (3/4" meter)	35
2 Weeks or Less (3" meter)	130
Over 2 Weeks (3/4" and 3" meters)	130
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; \$180 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

\$45/2 years

16. WATER TURN-OFF, TURN-ON FEE

Small Meter Turn-Off	\$60
Small Meter Turn-On	60
Large Meter Turn-Off	160
Large Meter Turn-On	160

17. FEASIBILITY REVIEW FEE (NON-SEP)

Feasibility Review & Report Fee Deposit (can be deferred as deficit when extension is completed)	\$7,750
Feasibility Submission Fee (Non-Refundable)	1,250

FY'14 APPROVED FEES AND CHARGES

(Effective July 1, 2013)

APPROVED CHARGE

18. INDUSTRIAL DISCHARGE CONTROL PROGRAM FEES BY CATEGORY

Industrial users subject to Categorical Pretreatment Standards (less than 5,000 gpd) (single visit)	\$3,170
Industrial users subject to Categorical Pretreatment Standards (greater than 5,000 gpd) (double visit)	4,850
Non-Discharging Categorical Industries (zero discharge)	855
Significant Industrial User (less than 25,000 gpd) (single visit – priority pollutant sampling)	3,170
Significant Industrial User (greater than 25,000 gpd) (double visit – priority pollutant sampling)	4,850
Penalty Charge for Late Fee Payment	5% of fee

**19. FEES FOR SALE OF CONTRACT SPECIFICATIONS, CONTRACT SPECIFICATION BOOKS,
DRAWINGS, DESIGN MANUALS, STANDARD DETAILS, AND GENERAL CONDITIONS**

Construction Specifications/Drawings	
Utility Contracts	\$15
Facility Contracts	40-450
Construction Standard Details	55
Construction General Conditions & Standard Specifications	40
SEP Construction General Conditions & Standard Specifications	40
Procurement Specifications/Drawings/General Conditions	
With Routine Specifications	No charge
With Complex/Voluminous Specifications	35-200

20. WATERSHED USE PERMIT FEES

Seasonal Watershed Use Permit	\$70
Single Day Watershed Use Permit	6
Boat Mooring (April 1 – November 15)	80
Boat Mooring (November 16 – March 31)	55
Boat/Craft Removal Fee	100
Monthly Storage Fee for Removed Boats	80
Rental for the Azalea Garden	75/4 hours
Rental for the Bio-Brick Pavillion	75/4 hours
Boarding Stable Entrance Permit	250
Adjacent Landowner Entrance Permit	80
Picnic Permit	6/groups of 1-5 persons 12/groups of 6-10 persons 18/groups of 11-15 persons

FY'14 APPROVED FEES AND CHARGES

(Effective July 1, 2013)

APPROVED CHARGE

21. BOAT REMOVAL AND IMPOUNDMENT FEES	
Removal & Impoundment Fee	\$100
Monthly Storage Fee	80
22. CALL BACK FEE (small meters, plumbers)	\$85
23. CALL BACK FEE (large meters, plumbers)	\$150
24. MISSED APPOINTMENT FEE	
First Missed Appointment or Turn-On	\$60
Each Additional Missed Appointment	85
25. PATUXENT WATERSHED CIVIL CITATION FEE	
First offense	\$50
Each additional offense within calendar year	100
26. CONNECTION REDEMPTION FEE	\$35
27. CONNECTION ABANDONMENT FEE	
County Roads (Except Arterial Roads) - Water	\$900
County Roads (Except Arterial Roads) - Sewer	1,400
State Roads and County Arterial Roads - Water	1,400
State Roads and County Arterial Roads - Sewer	1,900
28. FIRE HYDRANT INSPECTION FEE	\$90/hydrant
Controlled Access Surcharge Fee	25
29. UTILITY EROSION AND SEDIMENT CONTROL PERMIT FEE	
Minor Projects	\$.13 per linear ft.
Major Projects	.16 per linear ft.
Minimum for Major Projects	120
30. EROSION AND SEDIMENT CONTROL TRAINING PACKAGE FEE	\$600/package

FY'14 APPROVED FEES AND CHARGES

(Effective July 1, 2013)

APPROVED CHARGE

31. EROSION AND SEDIMENT CONTROL TRAINING CERTIFICATION SESSION FEE	\$55/session, per participant
32. FEE FOR SALE OF EROSION AND SEDIMENT CONTROL FIELD GUIDE	\$10
33. CIVIL CITATION FEES - SEDIMENT CONTROL, THEFT OF SERVICE, AND PLUMBING CIVIL CITATIONS	
First Offense	\$250
Second Offense	500
Third Offense	750
Each Violation in Excess of Three	1,000
34. CHARGE FOR PHOTOCOPIES OF WSSC DOCUMENTS (per copied page)	
Readily Available Source Material	\$.25/page (single side)
Certified Copy of Readily Available Source Material	.50/page (single side)
Scanning Documents	.25/page (single side)
(A reasonable fee may be charged for time in excess of two hours expended by WSSC in searching for requested records or preparing such records for inspection and copying.)	
35. DISHONORED CHECK FEE & ELECTRONIC PAYMENT FEE (applies to all dishonored checks and all dishonored electronic payments)	\$35
36. FIRE HYDRANT FLOW TEST FEE	
No Current Test	\$550
Current Test	75
37. SHUT DOWN/CHARGE WATER MAIN FEE	\$750
Shut Down/Complex Water Main Fee	1,400
38. RIGHT-OF-WAY RELEASE REVIEW FEE	\$825/document
39. FEE FOR REVIEW AND INSPECTION OF SITE WORK POTENTIALLY IMPACTING WSSC PIPELINES	
Simple Review	\$300
Complex Review	1,500
Inspection	150/inspection

FY'14 APPROVED FEES AND CHARGES

(Effective July 1, 2013)

APPROVED CHARGE

40. FEE FOR WSSC PIPELINE DESIGN MANUAL	\$90
41. CHLORINATION CONFIRMATION TEST FEE Re-Test or Additional Tests	\$200/first test 150/hour
42. METER REINSTALLATION CORRECTION FEE	\$275
43. SEWER METER MAINTENANCE FEE Quarterly Calibrations	\$7,500/year 1,880/year
44. DISCHARGE AUTHORIZATION PERMIT FEE Significant Industrial User – Initial Permit Significant Industrial User – Renewal Temporary Discharge Permit (Non – SIU)	\$3,575/4 years 1,760/4 years 3,575
45. SALE OF WSSD LAWS Bound Volume Supplements	\$75 35
46. PROPERTY INSPECTION FEE	\$70
47. DESIGN REVIEW Development is More than 10 Residential Units or Commercial Development is 10 Residential Units or Less	\$6,500 3,250
48. CONSTRUCTION SERVICES FEE Re-Test or Additional Tests or Inspector Overtime	12% of estimated construction costs less design review fee \$175/hour
49. SYSTEMS INSPECTION GROUP REVIEW FEE FOR ADDITIONAL REVIEWS OF CONTRACT DOCUMENTS AND AS-BUILTS	\$175/hour
50. EXTRA REVIEW FEE Additional Reviews of Unsigned Plans (per review) Minor Revisions of Signed Plans (per review) Major Revision/Splitting Signed Plans (per review)	\$2,000 950 2,000

FY'14 APPROVED FEES AND CHARGES

(Effective July 1, 2013)

APPROVED CHARGE

Per Site Utility/Minor Utility Additional Signed or Unsigned Plan Review	
Site Utility	1,200
Minor Utility	300
Per Hydraulic Planning Analysis/Systems Planning Forecast Application	
Additional Review of Required Data (per application)	650
51. RIGHT-OF-WAY ACQUISITION REIMBURSEMENT FOR SEP FEE	Actual
52. HYDRAULIC PLANNING ANALYSIS AND SYSTEM PLANNING FORECAST	
Water & Sewer Modeling	\$1,045
Water or Sewer Only Modeling	590
Development Parts Over 3	455/part
Pressure Sewer Review Fee (per system)	240
53. ENVIRONMENTAL SITE REVIEW FEE	
With Database Search Conducted by WSSC	\$330
With Database Search Submitted by Applicant	250
54. IN-HOUSE DESIGN DEPOSIT	Total estimated design costs
55. PARTIAL RELEASE	\$825
56. OFF-PROPERTY SERVICE CONNECTION REIMBURSEMENT	Prevailing service connection fee
57. PROJECT AMENDMENT FEE	\$360
Amendments Without Hydraulics Modeling	360
Amendments With Hydraulics Modeling	360 + same fee as Hydraulic Planning Analysis & System Planning Forecast
58. SERVICE CONNECTION APPLICATION AND INSPECTION FEE (per permit)	\$1,800/water and/or sewer connection
59. FACILITIES DESIGN GUIDELINES FEE	\$30
60. RELOCATION DESIGN REVIEW FEE	\$6,500
Inspection for MOU Project	600 minimum charge up to 4 hours

FY'14 APPROVED FEES AND CHARGES

(Effective July 1, 2013)

	<u>APPROVED CHARGE</u>
61. DISCHARGE FEE – Food Service Establishment (FSE)	
Full Permit FSE	\$350
Best Management Practices Permit FSE	100
62. LOBBYIST REGISTRATION FEE	\$100
63. FEASIBILITY REVIEW FEE FOR ON-SITE TAKEOVER PROJECTS	\$700
64. 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.)	
65. FEE FOR THE PREPARATION OF HOLD HARMLESS AGREEMENT	\$700
66. GOVERNMENT REFERRED PLAN REVIEW FEE	
Major Development – Over 10 Units	\$1,100
Minor Development – 10 or Less Units	550
Re-Review Fee for Major Development	550
Re-Review Fee for Minor Development	275
67. WAREHOUSE RESTOCKING FEE	\$30
68. RESIDENTIAL OUTSIDE METER HOUSING UPGRADE/PIPE ALTERATION	\$4,600
69. FEE FOR TRANSCRIBED TAPE OF A HEARING OR MEETING	Prevailing Fee Charged by Court Reporter
70. CHANGE FEE FOR OPEN HYDRAULIC PLANNING ANALYSIS & AMENDMENTS	
Basic (Both Water & Sewer)	\$330
Moderate (Both Water & Sewer)	1,100
Complex (Both Water & Sewer)	2,860
Basic (Water or Sewer Only)	165
Moderate (Water or Sewer Only)	550
Complex (Water or Sewer Only)	1,430
71. PRE-SCREEN RE-SUBMISSION FEE	\$275
72. CROSS CONNECTION FEE	\$10

FY'14 APPROVED FEES AND CHARGES

(Effective July 1, 2013)

APPROVED CHARGE

73. SITE UTILITY INSPECTION FEE

Base Fee

\$1,000

Pipeline (per foot)

5.60

74. NAME/TRANSFER OF OWNERSHIP FEE

\$165

FY'14 APPROVED FEES AND CHARGES

(Effective July 1, 2013)

SYSTEM DEVELOPMENT CHARGE

	<u>APPROVED CHARGE EFFECTIVE JULY 1, 2013</u>	<u>MAXIMUM ALLOWABLE CHARGE</u>
75. System Development Charge		
Apartment		
Water	\$896	\$1,240
Sewer	1,140	1,580
1-2 toilets/residential		
Water	1,344	1,861
Sewer	1,710	2,365
3-4 toilets/residential		
Water	2,240	3,102
Sewer	2,850	3,945
5 toilets/residential		
Water	3,135	4,340
Sewer	3,991	5,526
6+ toilets/residential (per fixture unit)		
Water	88	122
Sewer	115	160
Non-residential (per fixture unit)		
Water	88	122
Sewer	115	160