

APPROVED BUDGET

FY 2011

JULY 1, 2010-JUNE 30, 2011



**Washington Suburban
Sanitary Commission**

Washington Suburban Sanitary Commission

Fiscal Year 2011 Approved Budget

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Gene W. Counihan, Commissioner
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ATTEST: Charlett Bundy, Corporate Secretary

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 2011 APPROVED BUDGET**

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Washington Suburban Sanitary Commission

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July 1, 2010

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

Valued Customers and Interested Citizens:

We are pleased to present the Washington Suburban Sanitary Commission's (WSSC's) Approved Budget for Fiscal Year (FY) 2011, which began on July 1, 2010. The budget was adopted by the Commission on June 16, 2010. This document reflects a total budget of \$1.1 billion, including \$605.6 million for operating expenses and \$494.7 million for capital expenses.

The Approved Budget calls for an 8.5 percent increase in customer water and sewer bills to address our fiscal challenges including funding for water and sewer infrastructure improvements, cost increases at regional sewage disposal facilities where WSSC has purchased capacity, increased costs of Sanitary Sewer Overflow Consent Decree compliance, and continued implementation of an Enterprise Resource Planning/Enterprise Asset Management System (this is a major initiative that unifies and automates the Commission's financial and human resources, business and production processes and other information systems more effectively so that we can allocate and manage our assets to achieve our goals at the lowest cost). Specifically, the budget provides for:

- Funding the first year of the FYs 2011-2016 Capital Improvements Program;
- Promptly paying \$233.1 million in debt service on \$1.7 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;
- Operating and maintaining a system of 3 reservoirs impounding 14 billion gallons of water, 2 water filtration plants, 7 wastewater treatment plants, 5,500 miles of water main, and 5,400 miles of sewer main 24 hours a day, 7 days a week;
- Continuing to increase the operating reserve from 5% to 10% of water and sewer rate revenues;
- Funding the third year of a 5-year program to implement an Enterprise Resource Planning/Enterprise Asset Management System;
- Completing a disparity study to determine whether or not and to what extent remedial programs for past racial and/or gender discrimination are appropriate and also developing a recommended Minority Business Enterprise policy and program based on the disparity study results;
- Funding the fourth year of an 8-year ramp-up to achieve full funding of liabilities for non-retirement post-employment benefits based on Government Accounting Standards Board Statement No. 45;
- Increased funding for the Water and Sewer Reconstruction Programs; and
- Complying with the Sanitary Sewer Overflow Consent Order.

The FY'11 approved expenditures for all funds total \$1.1 billion, or \$138.6 million (14.4%) more than the FY'10 Approved Budget. The FY'11 Approved Operating Budget of \$605.6 million represents an increase of \$15.0 million (2.5%) from the FY'10 Approved Operating Budget. The increase in the Operating Funds is driven by many factors, including cost increases at regional sewage disposal facilities; Sanitary Sewer Overflow Consent Decree compliance; debt service costs; funding liabilities based on Governmental Accounting Standards Board recommendations for improvements in government accounting; and cost of the third year of a 5-year program to implement an enterprise-wide resource planning/asset management system.

Comparative Expenditures by Fund

	FY'10 Approved	FY'11 Approved	FY'10 Over / (Under) FY'09	% Change
<u>Capital Funds</u>				
Water Supply	\$147,484,000	\$181,815,000	\$34,331,000	23.3 %
Sewage Disposal	191,008,000	276,524,000	85,516,000	44.8 %
General Construction	32,660,000	36,361,000	3,701,000	11.3 %
Total Capital	371,152,000	494,700,000	123,548,000	33.3 %
<u>Operating Funds</u>				
Water Operating	234,925,000	243,455,000	8,530,000	3.6 %
Sewer Operating	285,807,000	300,920,000	15,113,000	5.3 %
Interest & Sinking	69,799,000	61,175,000	(8,624,000)	(12.4) %
Total Operating	590,531,000	605,550,000	15,019,000	2.5 %
GRAND TOTAL	\$961,683,000	\$1,100,250,000	\$138,567,000	14.4 %

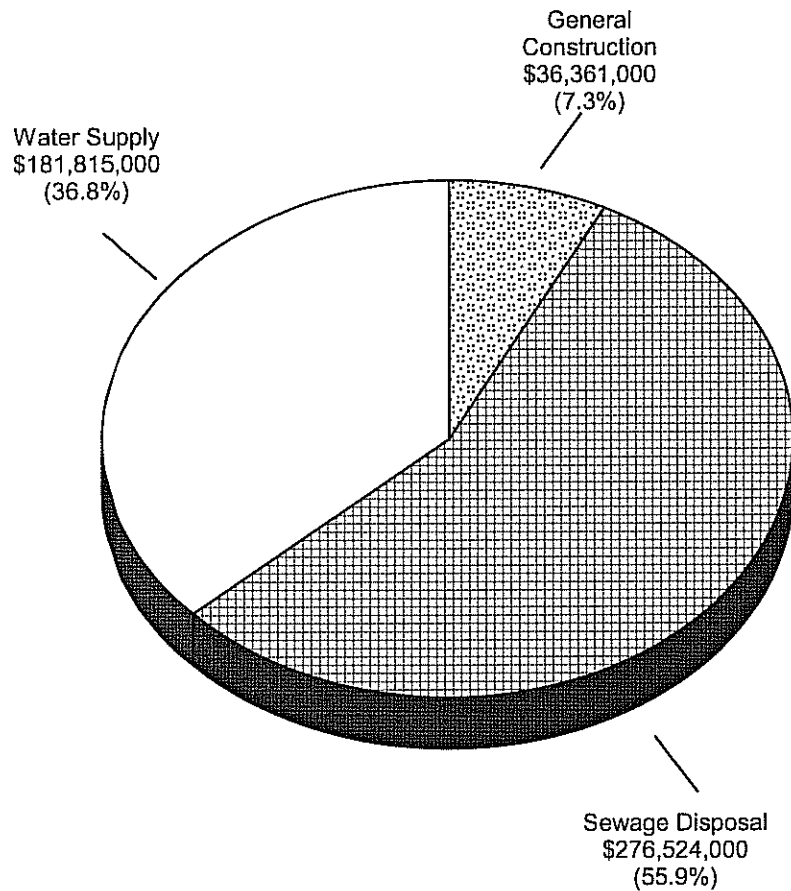
The FY'11 Approved Capital Budget of \$494.7 million represents a net increase of \$123.5 million (33.3%) from the FY'10 Approved Capital Budget. The increase is primarily attributable to higher estimates for the new digester and Enhanced Nutrient Removal projects at DCWASA's Blue Plains Wastewater Treatment Plant, increases in the Water and Sewer Reconstruction Programs, and the addition of the new Trunk Sewer Reconstruction and Large Diameter Pipe Rehabilitation Programs.

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.

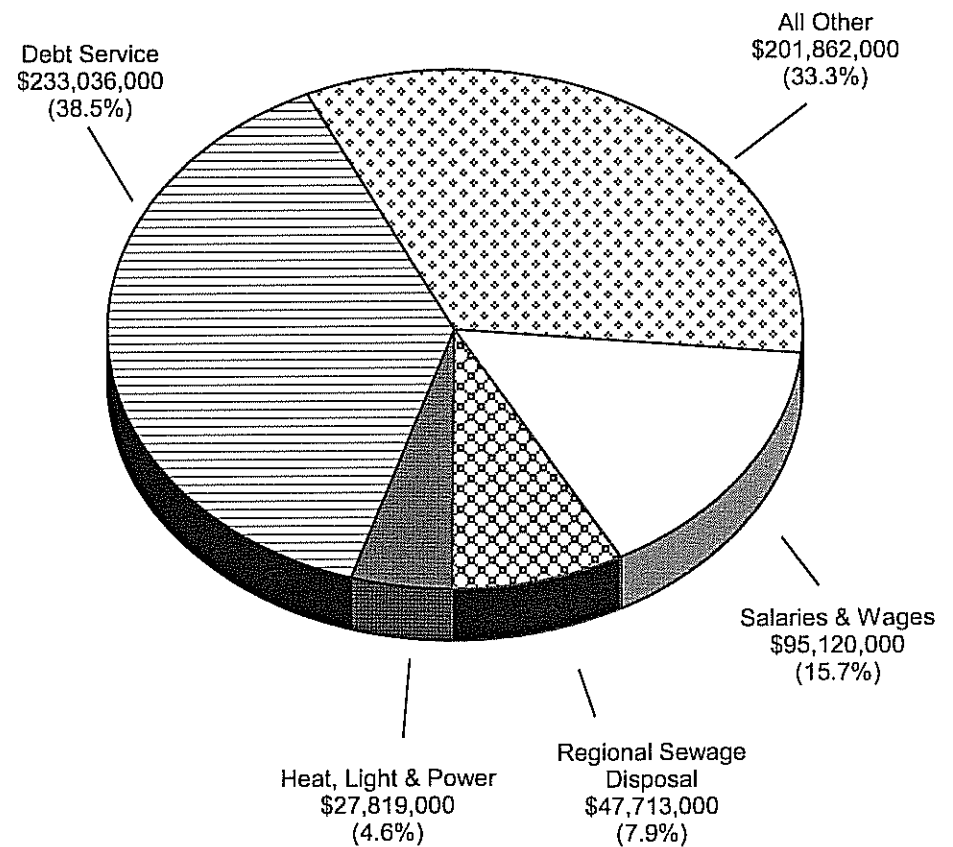
The Approved FY'11 Budget ensures that the WSSC will be able to maintain its commitment to provide safe drinking water, to ensure reliable service, and to safeguard the environment--all in a financially responsible manner. The Commission is proud to continue its tradition of innovation and excellence in serving the citizens of Prince George's and Montgomery Counties, a tradition that has been a hallmark of the WSSC for over eighty years.

FY 2011 APPROVED BUDGET

CAPITAL = \$494,700,000



OPERATING = \$605,550,000



GRAND TOTAL = \$1,100,250,000

TABLE I

Comparative Expenditures by Fund

	FY'08 Actual	FY'09 Actual	FY'10 Approved	FY'11 Approved	FY'11 Over / (Under) FY'10
Capital Funds					
Water Supply	\$ 88,908,000	\$ 106,490,000	\$ 147,484,000	\$ 181,815,000	\$ 34,331,000
Sewage Disposal	71,705,000	82,687,000	191,008,000	276,524,000	85,516,000
General Construction	22,668,000	24,271,000	32,660,000	36,361,000	3,701,000
Total Capital	<u>183,281,000</u>	<u>213,448,000</u>	<u>371,152,000</u>	<u>494,700,000</u>	<u>123,548,000</u>
Operating Funds					
Water Operating	191,756,000	202,411,000	234,925,000	243,455,000	8,530,000
Sewer Operating	239,386,000	254,852,000	285,807,000	300,920,000	15,113,000
Interest & Sinking	76,980,000	73,928,000	69,799,000	61,175,000	(8,624,000)
Total Operating	<u>508,122,000</u>	<u>531,191,000</u>	<u>590,531,000</u>	<u>605,550,000</u>	<u>15,019,000</u>
GRAND TOTAL	<u><u>\$ 691,403,000</u></u>	<u><u>\$ 744,639,000</u></u>	<u><u>\$ 961,683,000</u></u>	<u><u>\$ 1,100,250,000</u></u>	<u><u>\$ 138,567,000</u></u>

TABLE II

Comparative Expenditures by Major Expense Category

(\$ in Thousands)

Expense Categories	FY'09 Actual			FY'10 Approved			FY'11 Approved		
	Capital	Operating	Total	Capital	Operating	Total	Capital	Operating	Total
Salaries & Wages	\$ 19,245	\$ 87,879	\$107,124	\$ 21,507	\$ 91,536	\$113,043	\$ 21,705	\$ 95,120	\$ 116,825
Heat, Light & Power	-	26,315	26,315	-	28,422	28,422	-	27,819	27,819
Regional Sewage Disposal	-	44,767	44,767	-	42,224	42,224	-	47,713	47,713
Contract Work	88,197	-	88,197	191,561	-	191,561	262,884	-	262,884
Consulting Engineers	29,151	-	29,151	42,652	-	42,652	62,049	-	62,049
All Other	76,701	158,222	234,923	115,413	191,679	307,092	147,962	201,862	349,824
Debt Service	154	214,008	214,162	19	236,670	236,689	100	233,036	233,136
TOTAL	\$ 213,448	\$ 531,191	\$ 744,639	\$ 371,152	\$ 590,531	\$ 961,683	\$ 494,700	\$ 605,550	\$ 1,100,250

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'11 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 of the Annotated Code of Maryland, the WSSC ranks among the 10 largest water and sewer utilities in the country, serving over 440,000 customer accounts and an area of nearly 1,000 square miles.

To fulfill its mission of providing safe, reliable water that meets or exceeds all standards for purity and of returning clean water to the environment—all in an efficient, financially responsible manner—the WSSC operates and maintains an extensive array of highly automated facilities. Its two primary water filtration plants, drawing from the Potomac and Patuxent rivers, produce an average of 170.0 million gallons of water per day, and over 5,400 miles of mains deliver that water to homes and businesses in Montgomery and Prince George's Counties. The Commission operates three reservoirs with a total capacity of 14 billion gallons to ensure a reliable water supply for all seasons and conditions.

Sewage treatment is currently provided by seven wastewater treatment plants operated by the WSSC and the Blue Plains Wastewater Treatment Plant operated by the District of Columbia Water and Sewer Authority. Every day, an average of 210.7 million gallons of wastewater from Montgomery and Prince George's Counties moves to these facilities over 5,300 miles of sewer lines maintained by the WSSC. The seven WSSC wastewater treatment plants 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 two of these facilities (the Hyattstown plant and Marlboro Meadows plant) go beyond conventional wastewater treatment procedures 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 Article 29 of the Annotated Code of Maryland and in 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 maximum 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.

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'11 Budget.

- Forecast FY'11 water production conservatively at 170.0 million gallons per day.
- Propose an 8.5 percent average increase in water and sewer rates for FY'11.
- Increase the budget by 71 workyears to support critical programs and enhance customer service.
- Continue to address the WSSC's aging infrastructure by proposing the following:
 - Rehabilitation of 36 miles of water main.
 - Inspection of and installation of acoustical fiber optic monitoring on 16 miles of Prestressed Concrete Cylinder Pipe (PCCP).
 - Acoustical fiber optic monitoring of 56 miles of PCCP.
 - Rehabilitation of 42 miles of residential sewer lines and 14 miles of lateral sewer lines.
 - Implementation of a Trunk Sewer Reconstruction Program.
 - Implementation of a Large Diameter Water Main Rehabilitation Program.
- Maintain the Reconstruction Debt Service Offset (REDO) at \$11.5 million for FY'11.
- Ensure adequate funding for regulatory compliance requirements.
- Utilize \$1.5 million of fund balance to continue increasing the operating reserve from 5 percent to 10 percent of water and sewer rate revenues.
- Implement the third year of the 5-year Enterprise Resource Planning/Enterprise Asset Management System project.
- Justify all new and expanded programs.
- Continue to implement the eight year phase-in 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'11 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 the utility plant, 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 government, 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 proposed 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 (Water Reconstruction Program, Sewer Reconstruction Program, Engineering Support Program, Energy Performance Program, Utility Master Plan, Water Storage Facility Rehabilitation Program, Pressure Reducing Valve Rehabilitation Program, and Entrepreneurial 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.

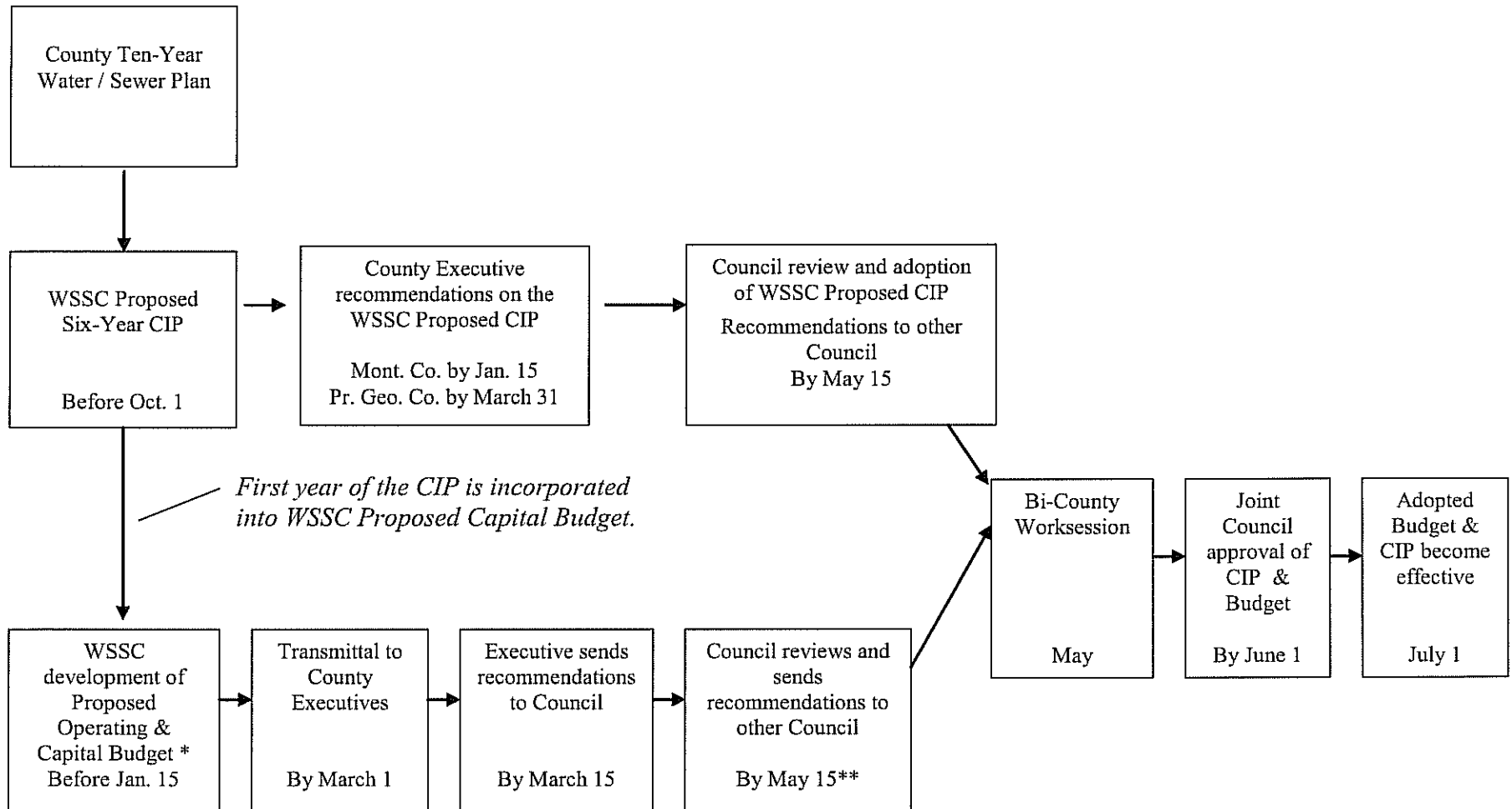
Preparation of the proposed Operating Budget requires integrating several other planning efforts with the budget formulation process. The annual spending affordability review, undertaken jointly with Montgomery and Prince George's Counties, uses a six-year financial model to examine the impacts and affordability 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'11 Approved Budget consists of six separate funds, three in the operating budget (the Water Operating, Sewer Operating, and Interest and Sinking 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 Interest and Sinking 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. Interest and Sinking 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
Interest & Sinking	Pay debt service on General Construction	Front Foot Benefit Charges

EXPLANATION OF THE BUDGET

(Continued)

VI. KEY PROVISIONS OF THE FY'11 BUDGET

The total approved budget for all funds is \$1.1 billion—\$494.7 million in capital and \$605.6 million in operating. An 8.5 percent average increase in water and sewer rates is required to fund water and sewer operating expenses. The budget provides for:

- Implementing the first year of the FYs 2011-2016 Capital Improvements Program;
- Treating and delivering 170.0 MGD of water to over 442,000 customer accounts in a manner that meets or exceeds the Safe Drinking Water Act standards;
- Treating 212.6 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, 7 wastewater treatment plants, 5,500 miles of water main, and 5,400 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 from 5% to 10% of water and sewer rate revenues;
- Paying debt service of \$233.1 million—\$174.4 million in the Water and Sewer Operating Funds;
- Increasing the Water and Sewer Reconstruction Programs;
- Funding the third year of a 5-year program to implement an Enterprise Resource Planning/Enterprise Asset Management System;
- Funding the fourth year of an 8-year ramp-up to achieve full funding of liabilities 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;

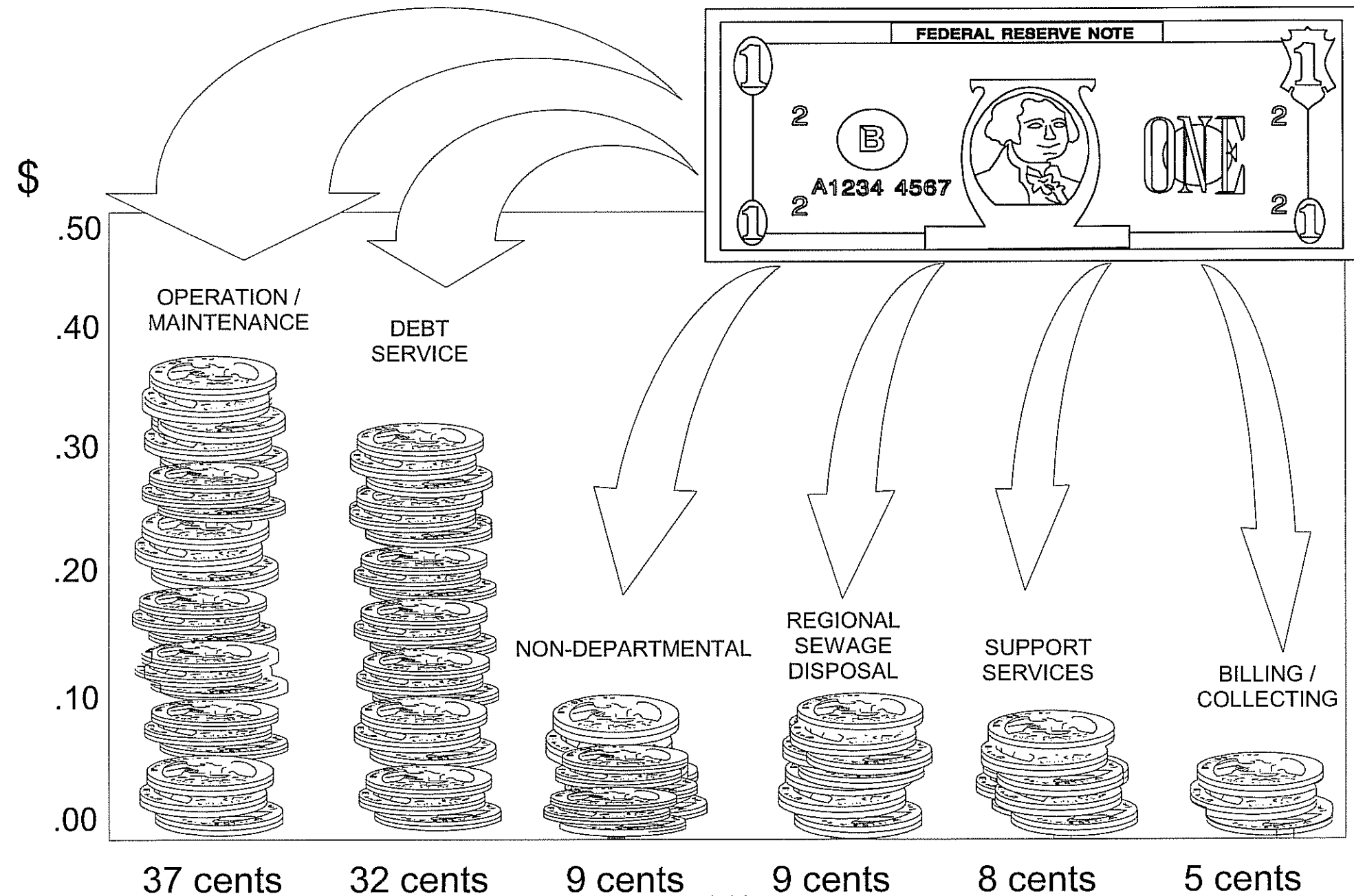
EXPLANATION OF THE BUDGET

(Continued)

- Maintaining and fueling 907 vehicles, maintaining approximately 673 pieces of large field equipment, and operating 6 repair facilities;
- Replacing 18 and purchasing an additional 30 pieces of major equipment which are needed to support construction, operations, and maintenance activities; and
- Replacing 59 and purchasing an additional 44 vehicles which are needed to support construction, operations, and maintenance activities.

FY'11 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.

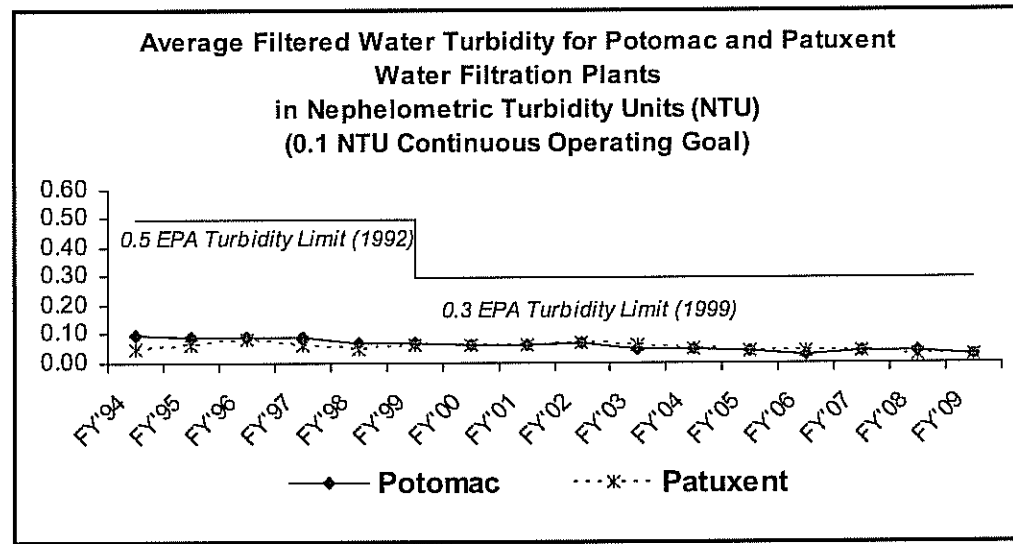
PERFORMANCE OF KEY SERVICES

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.

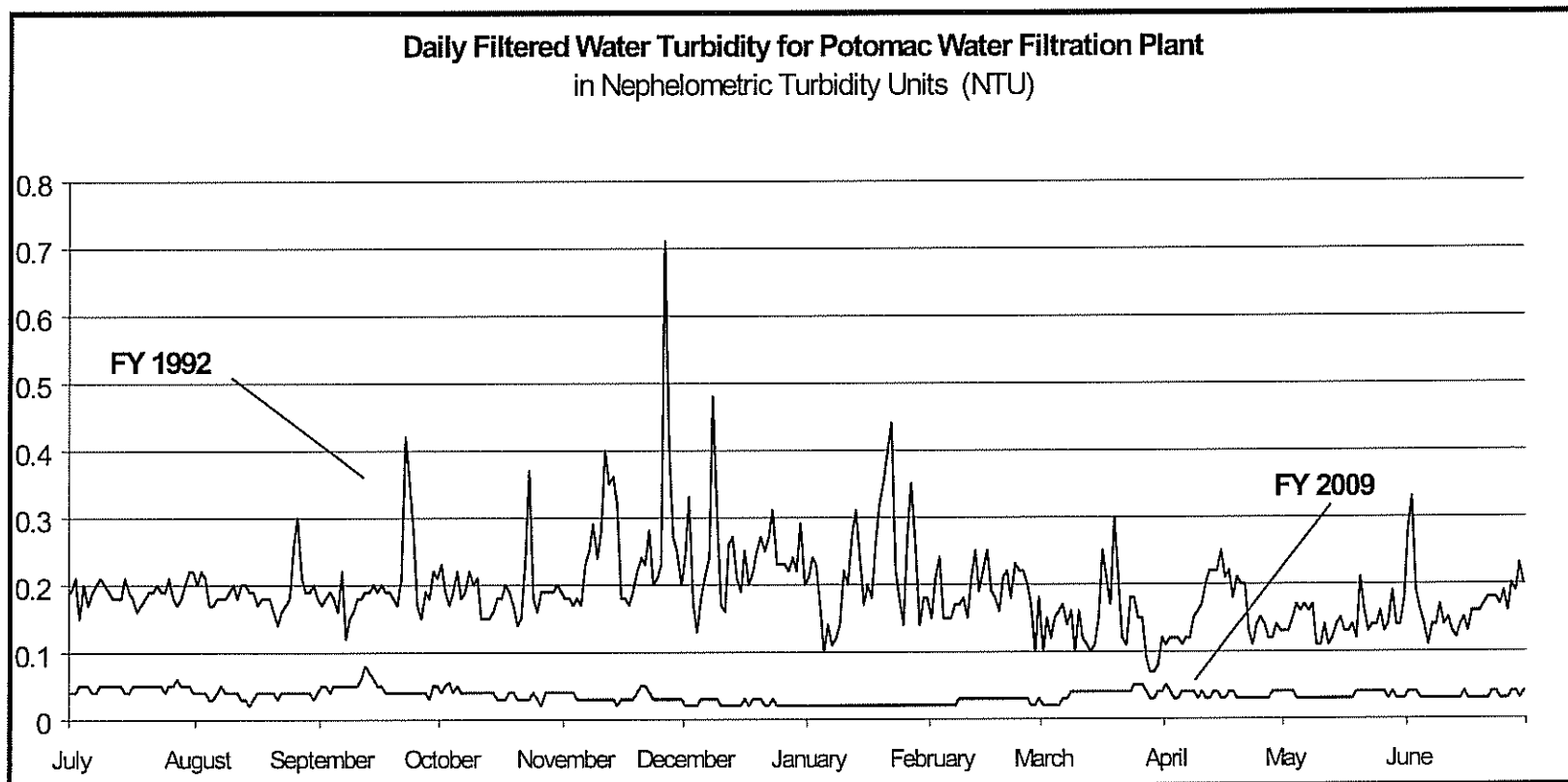
The WSSC's continued participation in the Partnership for Safe Water Program is indicative of our commitment. A primary goal of this program is to maintain filtered water turbidity below EPA established limits to effectively guard against cryptosporidium. In FY'92, although the WSSC was already meeting 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'94 through FY'09. The EPA reduced the turbidity limit to 0.3 NTU in 1999, still well above the levels being achieved by the WSSC. A 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)

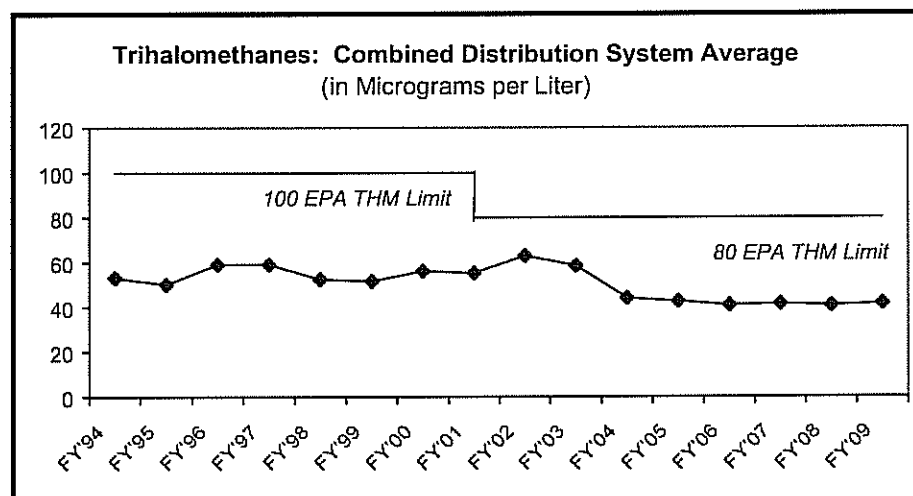
Not only has average turbidity been reduced, but also, as shown in the graph below for the Potomac Water Filtration Plant, the magnitudes of the daily peaks associated with variable raw water quality have been substantially reduced from FY'92 peak levels. This latter measure is of particular importance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



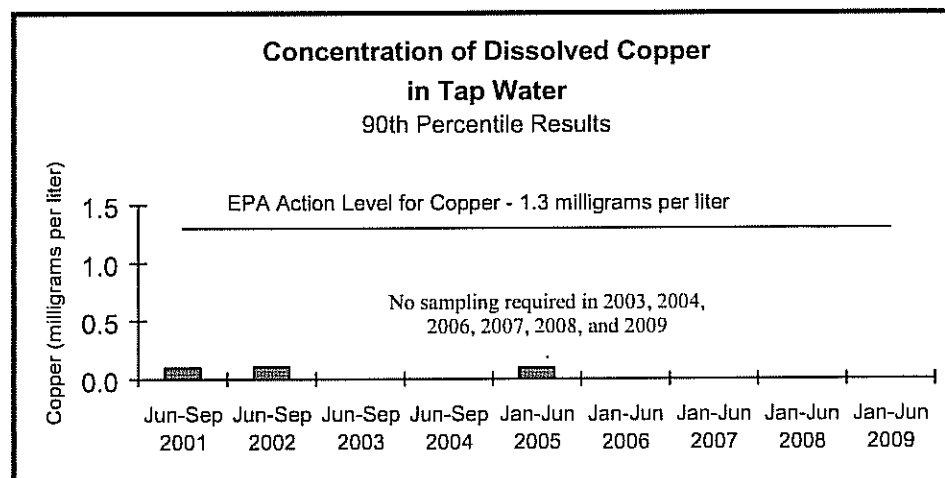
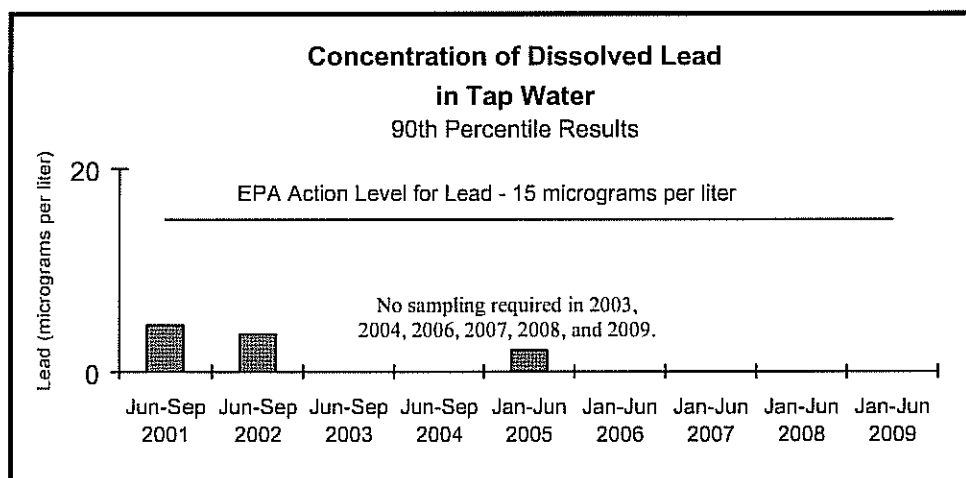
PERFORMANCE OF KEY SERVICES

(Continued)

The WSSC has also been aggressively pursuing enhanced coagulation (optimization of coagulant doses and pH levels to improve total organic carbon removal) to improve organic contaminant removal, thereby lessening the level of potential carcinogens in the finished water. Effective January 2001, the EPA reduced the standard for trihalomethanes (THMs) from 100 to 80 micrograms per liter of finished water. As shown in the figure to the right, the WSSC is meeting this THM standard with the help of its enhanced coagulation initiative.



The Commission also continues its corrosion control program (using fine pH adjustment) 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. Although, during the period from FY'03 to FY'09, testing was only required in one year (FY'05), WSSC voluntarily expanded lead testing beyond EPA requirements. Results from these tests continue to indicate lead levels well below regulatory requirements. The EPA required testing in FY'05 also confirmed that lead and copper levels remained below the tap water action level.



PERFORMANCE OF KEY SERVICES

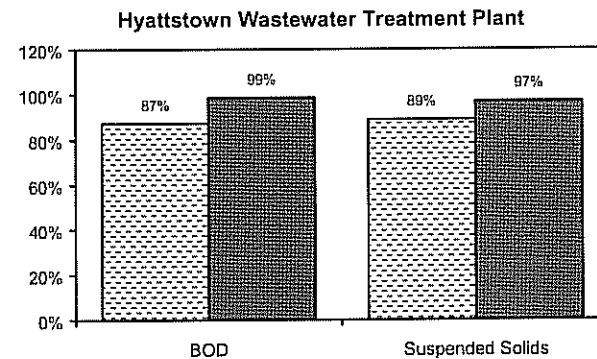
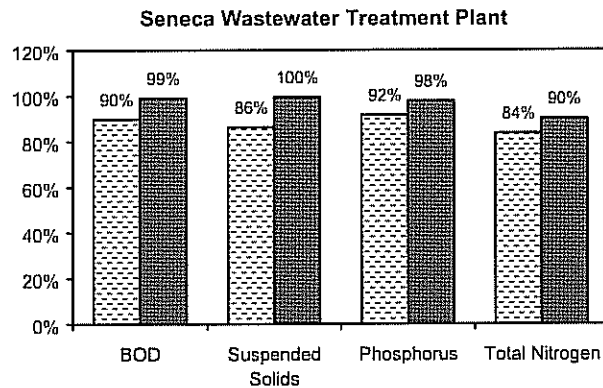
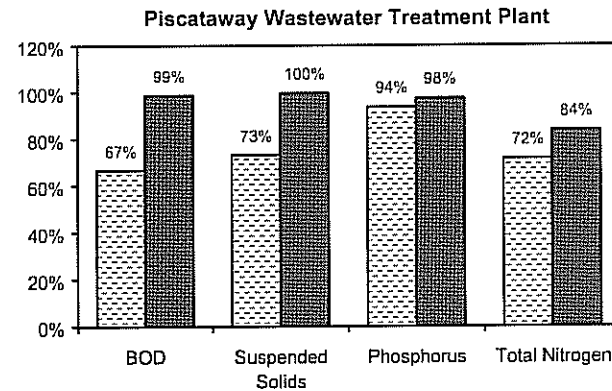
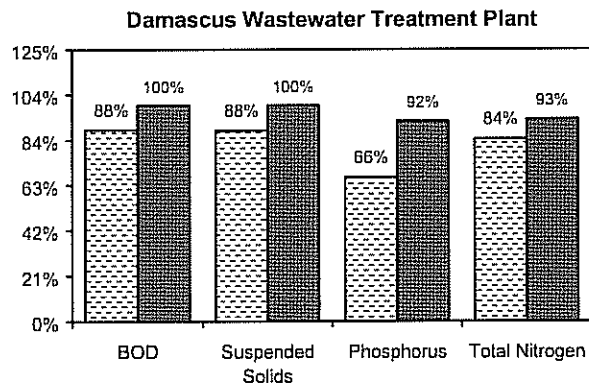
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Wastewater Treatment

The following graphs present actual FY'09 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'11, the Production Team will continue to pursue its goal of meeting or surpassing the permit requirements for each plant.

Wastewater Treatment Plant Performance – FY'09 Percentage Removal of Substances Regulated by Discharge Permits

Permit Requirement
 Plant Performance

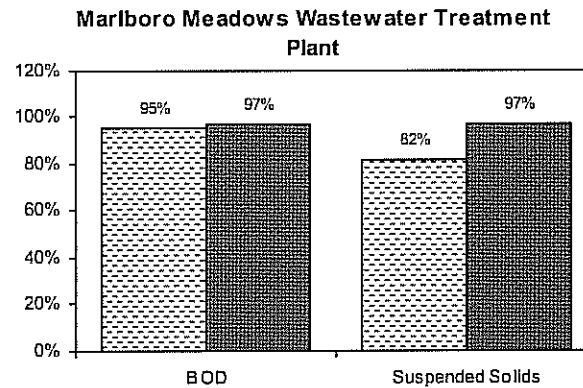
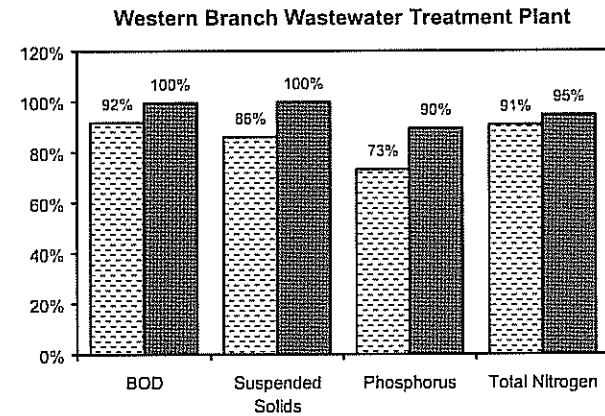
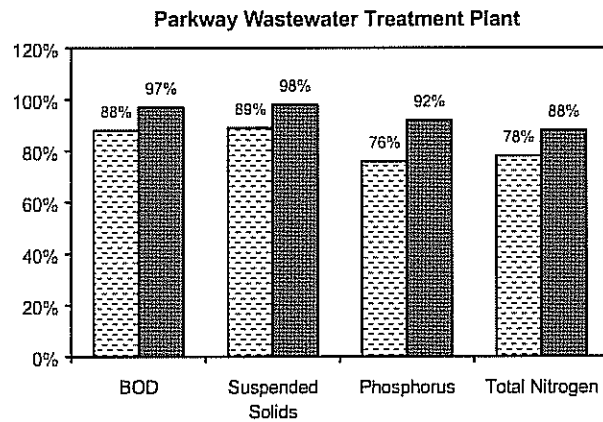


PERFORMANCE OF KEY SERVICES

(Continued)

Wastewater Treatment Plant Performance – FY'09 Percentage Removal of Substances Regulated by Discharge Permits

▨ Permit Requirement ▩ Plant Performance



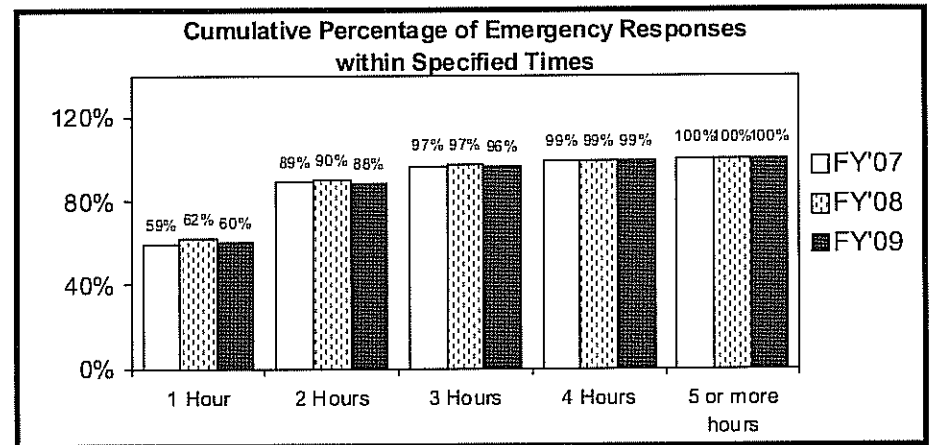
PERFORMANCE OF KEY SERVICES

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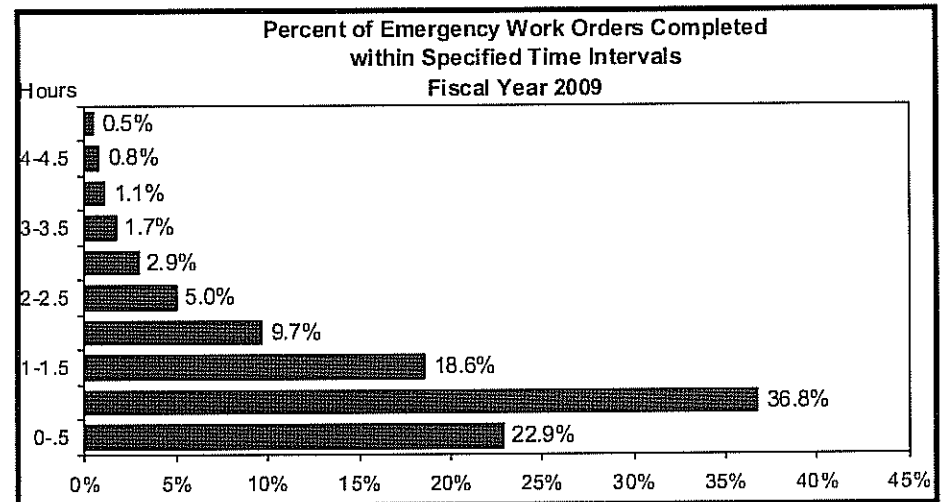
Emergency Response

During FY'09, 29,136 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'09 we responded to 60% of our emergency calls in less than 1 hour, and to 88% in less than our 2-hour goal with an average response time of 1.2 hours. In FY'08 the average response time was 1.0 hours. Emphasis on proper dispatching and on crew and inspector assignments has generally allowed us to keep our response time under 2 hours.



The bottom graph shows the distribution of emergency work order completion times in FY'09. Most emergency work orders required less than 1.5 hours to complete.

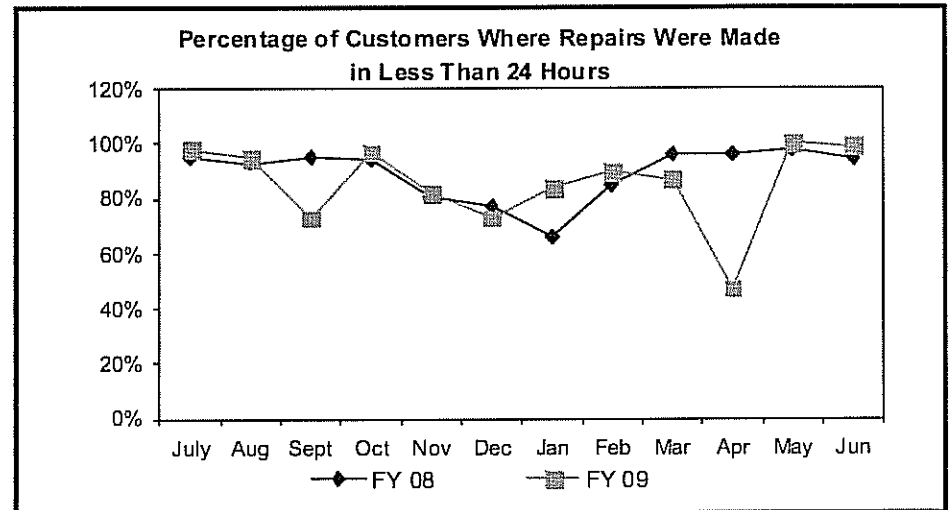
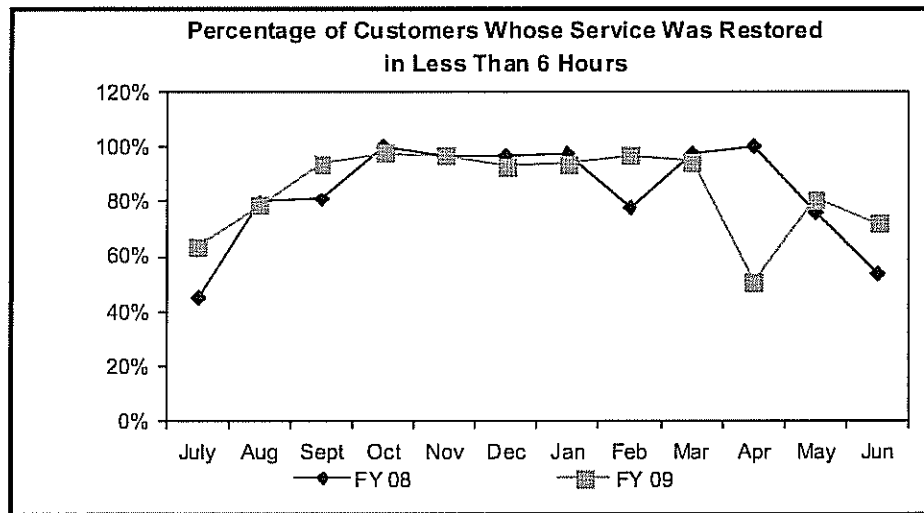


PERFORMANCE OF KEY SERVICES

(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'09, 48,423 customers, or approximately 11.2% 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. The drop in April is due to a single lengthy repair involving a large number of customers. In FY'09, the average time that customers were without water service was 3.2 hours, with 93.9% 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. Again, the drops in September and April were due to single lengthy repairs involving a large number of customers. The average time from notification of a problem to restoration of normal service was 16.1 hours, with 83.7% of customers having normal water service restored in less than the 24-hour goal.



PERFORMANCE OF KEY SERVICES

(Continued)

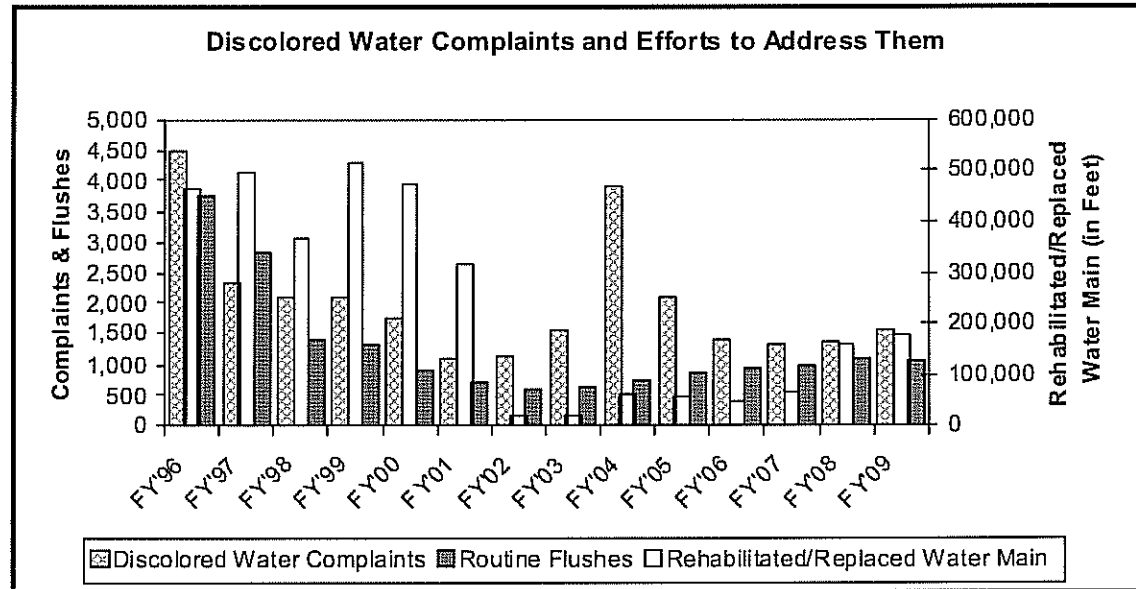
Discolored Water

Unlined cast iron pipe eventually causes 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. In FY'96, the Commission received over 4,400 customer complaints about discolored water. To combat this problem, an aggressive program was started to periodically flush water mains in the affected areas to keep the water clear. At the same time, the Commission augmented its ongoing program to resolve such problems by mechanically cleaning and relining the old mains with a new cement mortar lining.

The graph to the right shows the dramatic decrease in discolored water complaints since FY'96 and the success the WSSC has had in reducing these complaints in subsequent years.

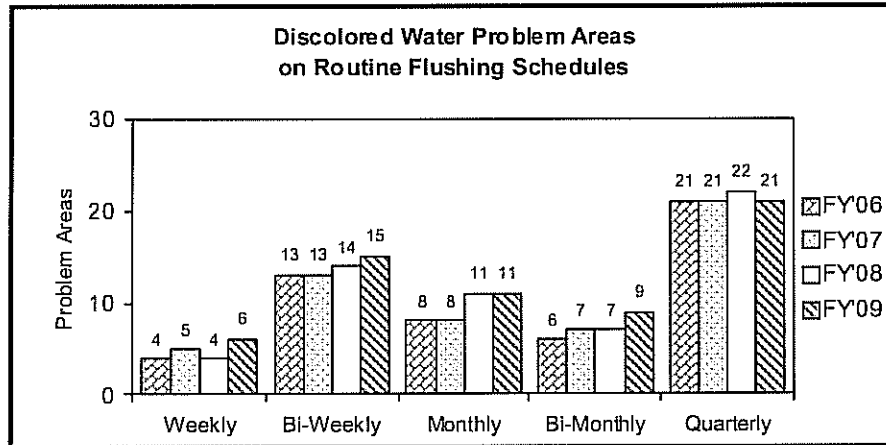
Beginning in FY'01, the emphasis was shifted from cleaning and lining water mains to the more permanent solution of water main replacement. Replacement is more involved and more time consuming than cleaning and lining, and resulted in reduced footage of rehabilitated/replaced water main completed in 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.

During FY'09, rehabilitation and replacement efforts continued. WSSC replaced over 34 miles during the past year. In order to maintain the high level of water quality our customers expect, it is important to accelerate 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'06. The number of areas with chronic discolored water problems has remained relatively constant with a minor increase in flushing required in FY'09.

Sewer Line Blockages

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

The overall program objective is to prevent a second backup in 95% of the cases processed. For FY'09, the Commission was successful in preventing a second backup in 85.6% of these cases. The Proactive Maintenance Program (PMP), along with technological advances such as the jet cam, has enabled the Commission to pursue its objective more diligently.

PERFORMANCE OF KEY SERVICES

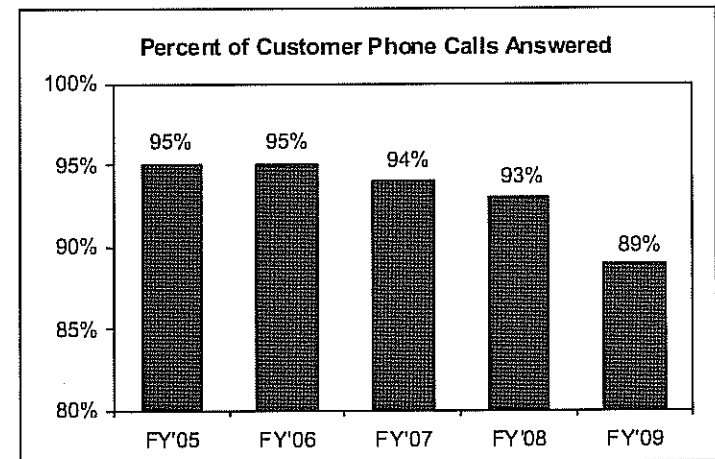
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Sewer House Connection Renewal

The sewer house connection renewal program replaces sewer house connections when structural problems have caused customer backups. Damaged or deteriorated sewer house connections are replaced as necessary to ensure that customers do not suffer repeated sewer backups into their homes. The program objective is to prevent a second backup after the WSSC has confirmed there is a problem with the service. During FY'09, the Commission replaced 326 connections. At the beginning of FY'10, 395 house connections met the criteria for renewal.

Customer Calls for Maintenance Assistance

During FY'09, the Commission answered 89% of customer calls for maintenance assistance, as shown in the graph to the right. The graph to the right also indicates that the percentage of customer calls answered has dropped from 95% in FY'05 to 89% in FY'09. This is due to a 9% increase in customer calls from FY'08 to FY'09 while simultaneously experiencing a shortage in Customer Relations staffing. Our goal continues to be 95%. Cross-training personnel has allowed for greater flexibility in staffing and an improved knowledge base. A hypertext reference system using a commercial web browser is utilized in the Communications Center to more efficiently handle customer calls. This system compliments the Maintenance Management Information System, shortens calls by placing needed information at the dispatchers' fingertips, and affords improved service by allowing representatives to provide consistent and knowledgeable responses. Quarterly analyses of why customers are calling help tailor the database and response procedures to customer needs. Detailed help in determining the proper response to customers' problems and questions is included along with other frequently required reference material, 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. In FY'09, survey cards were returned from 79 customers. 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'05.

Average Customer Ratings of Maintenance Personnel					
Category	FY'05	FY'06	FY'07	FY'08	FY'09
Polite	4.4	4.4	4.4	4.3	4.4
Knowledgeable	4.3	4.3	4.4	4.3	4.4
Helpful	4.4	4.4	4.3	4.3	4.4
Courteous	4.5	4.6	4.5	4.4	4.4
Explained Actions	4.5	4.6	4.5	4.4	4.4
Quality of Work	4.5	4.6	4.4	4.4	4.4
Efficiency	4.6	4.5	4.5	4.5	4.3
Overall Impression	4.4	4.4	4.4	4.3	4.3

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'08 Actual	FY'09 Actual	FY'10 Estimate	FY'11 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.	59%	62%	60%	80%
Complete Phase II of the SEP plan review process within 8 weeks.	Percentage of Phase II plan review packages processed in 8 weeks or less.	87%	91%	90%	90%

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

Group: Development Services

Objective	Outcome Measure	FY'08 Actual	FY'09 Actual	FY'10 Estimate	FY'11 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.	86%	95%	85%	90%

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'08 Actual	FY'09 Actual	FY'10 Estimate	FY'11 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

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

Group: Project Delivery

Objective	Outcome Measure	FY'08 Actual	FY'09 Actual	FY'10 Estimate	FY'11 Projected
Complete facility plans, concept designs and engineering designs as scheduled in the CIP.	Number of planning and design phase projects completed vs. planned.	N/A	7/11	17/17	5/5
Complete facility construction as scheduled in the CIP.	Number of construction phase projects completed vs. planned.	N/A	5/4	5/5	3/3

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(Continued)

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

Group: Infrastructure-Systems

Objective	Outcome Measure	FY'08 Actual	FY'09 Actual	FY'10 Estimate	FY'11 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.	7/6	10/11	13/13	16/16
Install acoustical fiber optic line to monitor PCCP water transmission mains as planned.	Miles of acoustical fiber optic line installed vs. planned.	7/6	10/10	19/13	16/16
Provide corrosion design and repair recommendations based upon corrosion test readings.	Number of corrosion test stations read vs. planned.	0/0	0/0	300/300	300/300

Goal: Improve facility operations by updating industrial automation systems.

Group: Process Control

Objective	Outcome Measure	FY'08 Actual	FY'09 Actual	FY'10 Estimate	FY'11 Projected
Replace planned number of Supervisory Control and Data Acquisition (SCADA) Remote Terminal Units (RTU's).	Number of SCADA RTU's replaced vs. planned.	30/25	34/25	30/30	0/0
Upgrade planned number of Programmable Logic Controllers (PLC's).	Number of PLC's upgraded vs. planned.	3/2	3/2	3/3	3/3

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

Group: Regulatory Services

Objective	Outcome Measure	FY'08 Actual	FY'09 Actual	FY'10 Estimate	FY'11 Projected
Inspect all Significant Industrial Users annually and conduct necessary follow up inspections.	Number of inspections of Significant Industrial Users performed vs. number of Significant Industrial Users.	63/48	71/47	70/48	70/50
Collect samples from all Significant Industrial Users as planned.	Number of Significant Industrial User samples collected vs. number planned.	1,134/1,000	1,282/1,000	1,000/1,000	1,000/1,000

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

Group: Regulatory Services

Objective	Outcome Measure	FY'08 Actual	FY'09 Actual	FY'10 Estimate	FY'11 Projected
Complete 1 st review of site utility plans within eight weeks of submission.	Percentage of 1 st reviews completed within eight weeks.	56%	46%	80%	90%

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(Continued)

Objective	Outcome Measure	FY'08 Actual	FY'09 Actual	FY'10 Estimate	FY'11 Projected
Conduct 99.9% of all requests for inspections to ensure compliance with plumbing and gasfitting regulations.	Number of plumbing/gasfitting inspections conducted vs. number of plumbing/gasfitting inspections requested.	69,253/69,254= 99.9%	48,763/48,764= 99.9%	99.9%	99.9%

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

Group: Regulatory Services

Objective	Outcome Measure	FY'08 Actual	FY'09 Actual	FY'10 Estimate	FY'11 Projected
Meet all Consent Decree deadlines for initial FOG inspections.	Number of initial FOG inspections completed vs. planned.	2,019/1,515	1,512/1,224	1,080/1,080	1,080/1,080

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

Groups: Systems Inspection, Infrastructure-Systems

Objective	Outcome Measure	FY'08 Actual	FY'09 Actual	FY'10 Estimate	FY'11 Projected
Design number of miles for the Water Main Reconstruction Program as planned.	Miles of water main designed vs. planned.	45/40	35/35	35/35	40/40
Replace the number of miles of water main as planned.	Miles of water main replaced vs. planned.	18/21	28/21	25/25	30/30
Rehabilitate the number of miles of sewer mains as planned.	Miles of sewer main rehabilitated vs. planned.	13/51	2/51	25/25	42/42

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

Group: Systems Inspection

Objective	Outcome Measure	FY'08 Actual	FY'09 Actual	FY'10 Estimate	FY'11 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.	22%	35%	50%	60%
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.	48%	66%	75%	80%

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(Continued)

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

Group: Systems Inspection

Objective	Outcome Measure	FY'08 Actual	FY'09 Actual	FY'10 Estimate	FY'11 Projected
Manage change orders to ensure minimum amount of contract increases.	Dollar value of change orders as a percent of bid amount for Systems Inspection contracts completed.	0.6%	1.5%	1.0%	1.0%

Goal: Produce connection contracts to ensure the timely construction of WSSC-built service connections.

Group: Technical Services

Objective	Outcome Measure	FY'08 Actual	FY'09 Actual	FY'10 Estimate	FY'11 Projected
Produce WSSC-built water and sewer connection contracts within 15 business days of receipt of connection drawings and site inspection data from the Systems Inspection Group.	Percentage of water and sewer connection contracts which are produced and sent to Acquisition for bid within the 15 day goal.	80%	95%	90%	92%

Goal: Eliminate/Minimize adverse environmental impacts associated with accelerated soil erosion and sedimentation created by utility pipeline construction.

Group: Environmental

Objective	Outcome Measure	FY'08 Actual	FY'09 Actual	FY'10 Estimate	FY'11 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.	100%	100%	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'08 Actual	FY'09 Actual	FY'10 Estimate	FY'11 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	0.04 0.03	0.03 0.03	<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).	40.7	41.5	<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'08 Actual	FY'09 Actual	FY'10 Estimate	FY'11 Projected
Maintain compliance with NPDES permit requirements at the WSSC's 7 wastewater treatment plants.	Number of process-related non-compliances for the WSSC's 7 wastewater treatment plants.	3	1	7	6

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(Continued)

LOGISTICS OFFICE

Goal: Ensure that WSSC vehicles are safe, reliable, and functional.

Group: Fleet Services

Objective	Outcome Measure	FY'08 Actual	FY'09 Actual	FY'10 Estimate	FY'11 Projected
Minimize vehicle breakdowns due to inadequate or improper maintenance.	Number of vehicle breakdowns.	81	144	115	120
	Average number of miles between vehicle breakdowns.	67,881	39,123	64,000	44,000

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

Group: Fleet Services

Objective	Outcome Measure	FY'08 Actual	FY'09 Actual	FY'10 Estimate	FY'11 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).	65	65	70	65
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).	\$66/\$99	\$65/\$95	\$69/\$112	\$68/\$106

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

Groups: Fleet Services, Materials and Services

Objective	Outcome Measure	FY'08 Actual	FY'09 Actual	FY'10 Estimate	FY'11 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.	2.6	2.1	2.0	2.0
	Number of times the vehicle parts inventory turns over annually.	3.7	3.8	3.7	3.7
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).	96.1%	95.6%	95.0%	95.0%
	Accuracy of vehicle parts inventory (from established cycle counts).	99.7%	99.8%	99.8%	99.8%

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'08 Actual	FY'09 Actual	FY'10 Estimate	FY'11 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%	98%	98%

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'08 Actual	FY'09 Actual	FY'10 Estimate	FY'11 Projected
Limit the occurrence of crime on WSSC property to ≤ 150 incidents.	Number of crimes reported on WSSC property.	232	144	150	150

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

Group: Security and Safety Services

Objective	Outcome Measure	FY'08 Actual	FY'09 Actual	FY'10 Estimate	FY'11 Projected
Limit the occurrence of on-the-job injuries to WSSC employees to ≤ 130 and lost-time injuries to ≤ 65.	Number of injuries reported by WSSC employees: On-the-job injuries Lost-time injuries	123 5	120 7	130 65	130 10
Reduce the number of on-the-job vehicular accidents involving WSSC employees to ≤ 135.	Number of vehicular accidents involving WSSC employees.	131	162	131	130

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

Group: Security and Safety Services

Objective	Outcome Measure	FY'08 Actual	FY'09 Actual	FY'10 Estimate	FY'11 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.	4.8	4.8	4.8	4.8

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(Continued)

FINANCE OFFICE

Goal: Minimize borrowing costs.

Groups: Finance Office, Budget

Objective	Outcome Measure	FY'08 Actual	FY'09 Actual	FY'10 Estimate	FY'11 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.	No bonds issued in FY'08	148 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'08 Actual	FY'09 Actual	FY'10 Estimate	FY'11 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.	150 basis points above	100 basis points above	Even	25 basis points below
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.	5.6%	2.2%	3.1%	4.8%

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'08 Actual	FY'09 Actual	FY'10 Estimate	FY'11 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.	0.0%	0.0%	0.01%	0.01%

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(Continued)

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

Group: Accounting

Objective	Outcome Measure	FY'08 Actual	FY'09 Actual	FY'10 Estimate	FY'11 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%	82%	100%	100%
Avoid the need for any prior period adjustments to financial reports.	Number of prior period financial adjustments required.	0	0	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'08 Actual	FY'09 Actual	FY'10 Estimate	FY'11 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

Goal: Process financial transactions quickly and accurately.

Groups: Revenue, Disbursements

Objective	Outcome Measure	FY'08 Actual	FY'09 Actual	FY'10 Estimate	FY'11 Projected
Utilize at least 95% of available vendor discounts.	Percentage of available vendor discounts taken.	97.7%	99.1%	97.0%	97.0%
Post at least 95.5% of customer remittances on the day received.	Percentage of customer remittances posted on the same day.	99.5%	99.6%	99.5%	99.5%
Post at least 99.9% of customer remittances correctly.	Percentage of remittances posted correctly.	99.9%	99.9%	99.9%	99.9%

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(Continued)

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

Group: Budget

Objective	Outcome Measure	FY'08 Actual	FY'09 Actual	FY'10 Estimate	FY'11 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.	\$67.5/ 18.1%	\$45.5/ 12.0%	≥\$29.7/ 6.7%	≥\$28.0/ 5.7%
Maintain FitchRatings, Moody's, and/or Standard and Poor's bond ratings of AAA/Aaa/AAA.	FitchRatings/Moody's/Standard and Poor's bond ratings.	AAA/Aaa/ AAA	AAA/Aaa/ AAA	AAA/Aaa/ AAA	AAA/Aaa/ AAA

Goal: Accurately forecast Commission revenues and expenditures.

Group: Budget

Objective	Outcome Measure	FY'08 Actual	FY'09 Actual	FY'10 Estimate	FY'11 Projected
Accurately forecast annual water production.	Difference (in millions of gallons per day) between actual and budgeted water production.	-0.8	-7.2	0.0	0.0
	Percentage difference between actual and budgeted water production.	-0.5%	-4.2%	0.0%	0.0%
Accurately forecast revenues from water and sewer use charges.	Difference between actual and budgeted revenues from water and sewer use charges (\$ millions).	\$-4.1	-\$24.3	\$0.0	\$0.0
	Percentage difference between actual and budgeted water and sewer use charges.	-1.1%	-6.0%	0.0%	0.0%
Accurately project non-debt service water and sewer operating expenditures.	Difference (\$ millions) between actual and budgeted water and sewer operating expenditures (excluding debt service).	\$3.0	-\$11.1	\$0.0	\$0.0
	Percentage difference between actual and budgeted water and sewer operating expenditures (excluding debt service).	1.0%	-3.4%	0.0%	0.0%

Goal: Produce a sound, affordable capital spending program.

Group: Budget

Objective	Outcome Measure	FY'08 Actual	FY'09 Actual	FY'10 Estimate	FY'11 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.	31.7%	30.9%	32.3%	32.0%

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

Group: Budget

Objective	Outcome Measure	FY'08 Actual	FY'09 Actual	FY'10 Estimate	FY'11 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'08 Actual	FY'09 Actual	FY'10 Estimate	FY'11 Projected
Attain a 95% success rate for answering non-emergency calls.	Percentage of non-emergency calls answered.	86%	82%	95%	95%
Maintain a 95% success rate for answering all emergency calls.	Percentage of emergency calls answered.	93%	89%	95%	95%

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

Groups: Support Services, Customer Relations

Objective	Outcome Measure	FY'08 Actual	FY'09 Actual	FY'10 Estimate	FY'11 Projected
Accurately record and report all meter readings.	Percentage of meter readings reported and recorded accurately.	99.8%	99.8%	99.8%	99.8%
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).	98%	97%	96%	96%
Collect all billed water and sewer use charges on a timely basis.	Percentage of billed water and sewer accounts considered delinquent. *	8.6%	9.8%	10.0%	10.0%

* Note: In prior years, the delinquency rate was calculated using the number of customer accounts available for turn-off versus the number of active customer accounts. The above percentages have been calculated using the total number of delinquent customer accounts divided by the total number of active customer accounts. (Accounts are considered delinquent when not paid by the due date.)

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'08 Actual	FY'09 Actual	FY'10 Estimate	FY'11 Projected
Respond within 2 hours to customers' emergency telephone calls.	Percentage of emergencies responded to within 2 hours of receipt of customer calls.	90%	88%	89%	89%
	Average response time to emergency calls (in hours).	1.0	1.2	1.2	1.2
Respond within 14 days to all written correspondence received.	Percentage of customer correspondence responded to within 14 days.	95%	91%	95%	95%
Achieve 100% closure of open claims.	Number of claims closed as a percentage of claims opened during the fiscal year.	92%	97%	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'08 Actual	FY'09 Actual	FY'10 Estimate	FY'11 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	4.4	4.7	4.7
	Courtesy	4.4	4.4	4.7	4.7
	Efficiency	4.5	4.3	4.7	4.7
	Quality of Work	4.4	4.4	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."	93%	89%	85%	90%

Goal: Minimize inconvenience caused by disruptions in service.

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

Objective	Outcome Measure	FY'08 Actual	FY'09 Actual	FY'10 Estimate	FY'11 Projected
Restore normal water service within 24 hours.	Percentage of customers whose water service was restored within 24 hours.	88.9%	83.7%	80.0%	80.0%
	Average time from notification of system problem to restoration of water service (in hours).	14.3	16.1	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.	95.3%	93.9%	95.0%	95.0%
	Average time without water (in hours).	2.9	3.2	3.0	3.0
Reduce the number of discolored water complaints.	Number of discolored water complaints.	1,372	1,548	1,400	1,400
	Areas with chronic discolored water problems which are on a routine flushing schedule.	58	62	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.	100.0%	85.6%	99.5%	99.5%

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'08 Actual	FY'09 Actual	FY'10 Estimate	FY'11 Projected
Reduce service interruptions due to water main breaks.	Number of breaks per 100 miles of water main.	32.0	35.5	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.	95%	95%	95%	95%

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

Group: Wastewater Collections System

Objective	Outcome Measure	FY'08 Actual	FY'09 Actual	FY'10 Estimate	FY'11 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.	387/340	425/390	425/425	325/325
Inspect, via smoke test, the number of miles of sewer main planned.	Miles of sewer main smoke tested vs. planned.	5/12	5/15	10/10	10/10

Goal: Prepare designs for the rehabilitation and/or replacement of deteriorating sewer infrastructure.

Group: Wastewater Collections System

Objective	Outcome Measure	FY'08 Actual	FY'09 Actual	FY'10 Estimate	FY'11 Projected
Design the number of miles of sewer main planned for the year.	Miles of sewer main designed vs. planned.	82/50	77/80	110/110	37/37
Design the number of manholes planned for the year.	Number of manholes designed vs. planned.	87/100	624/100	300/300	400/400

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: Application Development

Objective	Outcome Measure	FY'08 Actual	FY'09 Actual	FY'10 Estimate	FY'11 Projected
Utilize 10% of resources to support application break/fixes and end user support.	Percentage of resources spent on application break/fixes and end user support.	25%	26%	25%	25%
Utilize 20% of resources to support Small Work Requests.	Percentage of resources spent on Small Work Requests.	53%	50%	50%	15%
Utilize 70% of resources to support WSSC Annual Action Items and projects.	Percentage of resources spent on WSSC Annual Action Items and projects.	22%	24%	25%	60%

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

Group: IT Customer Support

Objective	Outcome Measure	FY'08 Actual	FY'09 Actual	FY'10 Estimate	FY'11 Projected
Resolve 75% of initial telephone calls to the Help Desk.	Percentage of telephone calls resolved at the Help Desk.	81%	75%	75%	80%
Close 85% of open tickets before their assigned due date.	Percentage of tickets closed before their due dates.	83%	80%	80%	85%

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

Group: Systems Support & Operations

Objective	Outcome Measure	FY'08 Actual	FY'09 Actual	FY'10 Estimate	FY'11 Projected
Ensure open systems production servers (UNIX & SQL servers) are available at least 97.5% of the time.	Percentage of the time that the open systems production servers are available.	97.5%	98.0%	97.5%	99.0%
Ensure production system backups are run on-time and error-free 99.5% of the time every month.	Average percentage of production systems backups completed each month.	99.5%	99.0%	99.5%	100%
Complete standard production runs on schedule 99% or more of the time each month.	Average percentage of standard production runs completed on schedule each month.	98.0%	98.5%	98.0%	100%

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(Continued)

STAFF OFFICES

Goal: Provide cost-effective internal audit services.

Group: Internal Audit

Objective	Outcome Measure	FY'08 Actual	FY'09 Actual	FY'10 Estimate	FY'11 Projected
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 cost of the external audit of the WSSC).	7:1	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.	\$693,916	\$666,484	\$700,000	\$700,000
	<u>Blue Plains</u> : Total audit-based adjustment in Blue Plains O&M and Capital Indirect Billing. (The FY'08 amount reflects the audit of WASA bills for the FY'01-05 period).	\$4,212,141	\$2,265,784	\$1,000,000	\$1,000,000

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

Group: Intergovernmental Relations Office

Objective	Outcome Measure	FY'08 Actual	FY'09 Actual	FY'10 Estimate	FY'11 Projected
Represent the WSSC at bill hearings, worksessions, and various delegation/committee meetings as required.	Percentage of bill hearings, worksessions, and delegation/committee meetings attended.	80%	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'08 Actual	FY'09 Actual	FY'10 Estimate	FY'11 Projected
Keep employees and stakeholders informed on the status of legislation impacting the WSSC, by sending weekly updates during the 90-day General Assembly Session.	Percentage of weekly updates required to be sent during the Session vs. actual updates sent.	100%	100%	100%	100%
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%	100%

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(Continued)

Goal: Align WSSC team goals with the company's vision and mission.

Group: Strategic Systems Management Office

Objective	Outcome Measure	FY'08 Actual	FY'09 Actual	FY'10 Estimate	FY'11 Projected
Educate All Management/Change Leadership Team members on WSSC's strategic management principles and practices.	Achieve an average score of 4.25 out of 6.0 on the annual Business Excellence Architecture Survey, which measures the effectiveness of strategic management implementation.	3.82/6.0	N/A	4.25/6.0	4.25/6.0

Goal: Attune WSSC employees' daily behavior and decision-making with the company's core values.

Group: Strategic Systems Management Office

Objective	Outcome Measure	FY'08 Actual	FY'09 Actual	FY'10 Estimate	FY'11 Projected
Facilitate the development of cultural action plans for all teams to identify areas for improvement.	Achieve an average score of 4.25 out of 5.0 on the annual Cultural Values Survey, which measures the effectiveness of plan implementation.	3.56/5.0	N/A	4.25/5.0	4.25/5.0

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

Group: Communications & Community Relations Office

Objective	Outcome Measure	FY'08 Actual	FY'09 Actual	FY'10 Estimate	FY'11 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'08 Actual	FY'09 Actual	FY'10 Estimate	FY'11 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 <u>Pipeline</u> 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)

Objective	Outcome Measure	FY'08 Actual	FY'09 Actual	FY'10 Estimate	FY'11 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).	45/35	40/35	35/35	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)	46/35	40/35	35/35	35/35
	Partner with outside agencies to plan/execute events (e.g., stream/road cleanups, water festival, and campfire) (executed/planned).	4/4	4/4	4/4	4/4

Goal: Disseminate accurate and timely information to WSSC employees.

Group: Communications & Community Relations Office

Objective	Outcome Measure	FY'08 Actual	FY'09 Actual	FY'10 Estimate	FY'11 Projected
Inform employees about WSSC news.	Publish <i>Fish Tales</i> in color and distribute to Depots quarterly (in addition to providing on-line) (published/planned).	N/A	N/A	4/4	4/4
Communicate new initiatives/programs to employees.	Execute campaigns to communicate new or special initiatives, programs, etc., to employees (executed/estimated).	N/A	N/A	4/4	4/4

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

Group: Communications & Community Relations Office

Objective	Outcome Measure	FY'08 Actual	FY'09 Actual	FY'10 Estimate	FY'11 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	2/3	3/3	3/3
	Provide FOG-related educational materials and promotional items to distribute to customers (actual/planned).	5,000/5,000	5,000/5,000	5,000/5,000	5,000/5,000

GOALS, OBJECTIVES, AND OUTCOME MEASURES

(Continued)

Goal: Improve customer service by reducing cycle time.

Group: Human Resources Office

Objective	Outcome Measure	FY'08 Actual	FY'09 Actual	FY'10 Estimate	FY'11 Projected
Ensure all vacancies are filled within 90 days.	Average time to fill open positions from receipt of final approved job requisition and completed recruiting package to accepted job offer.	98 days	112 days	90 days	90 days

Goal: Continuous improvement of Human Resources operations.

Group: Human Resources Office

Objective	Outcome Measure	FY'08 Actual	FY'09 Actual	FY'10 Estimate	FY'11 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.	100%	80%	100%	100%
Perform operational tasks and respond to customers in a consistent manner.	Percentage of workflows and standard procedures documented.	20%	75%	100%	100%

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

Groups: Human Resources Office, Fair Practice Office

Objective	Outcome Measure	FY'08 Actual	FY'09 Actual	FY'10 Estimate	FY'11 Projected
Accurately track applicant data.	Percentage of demographic information collected, tracked, and reported on all applicants.	100%	100%	100%	100%
Ensure all employees know the policy and legal requirements of Equal Employment Opportunity regulations.	Percentage of employees trained in the required regulatory 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'08 Actual	FY'09 Actual	FY'10 Estimate	FY'11 Projected
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.	319/-24%	301/-5.6%	316/5%	332/5%
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.	288/N/A♦	430/49%	473/10%	520/10%
Increase the number of contracts awarded to approved Small, Local Business Enterprises (SLBEs) 5% annually.	Total number of contracts awarded to SLBEs/Annual percentage increase/decrease in contracts awarded to SLBEs.	56/19%	17/-70%	18/5%	19/5%
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.	304/-23%	278/-9%	292/5%	306/5%

**Effective June 23, 2007, legislative authority for implementation of the Minority Business Enterprise (MBE) Program was reauthorized, pursuant to Maryland House Bill 691. The Commission has a new interim MBE Program that will remain in effect until a new MBE Policy is adopted.*

♦ Staff is in the process of establishing a baseline for MBE registrants using the new Centralized Bidder Registration (CBR) System.

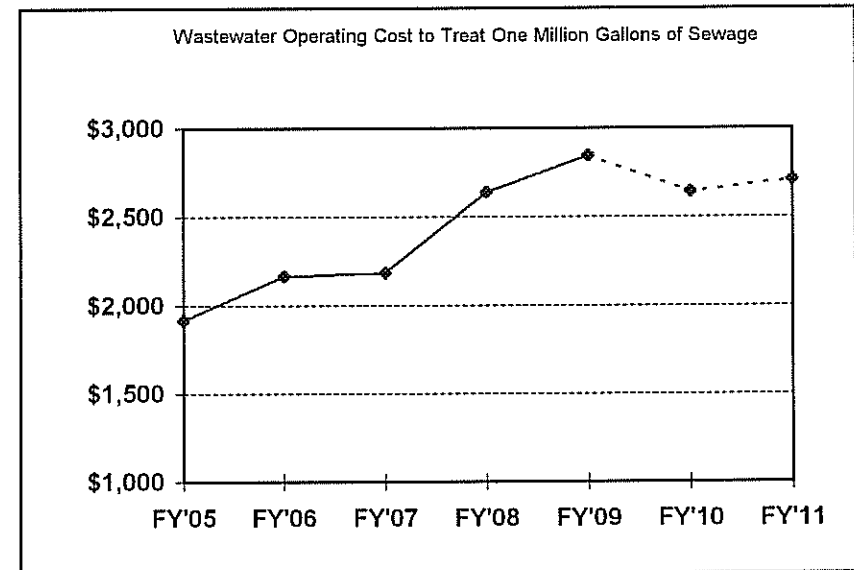
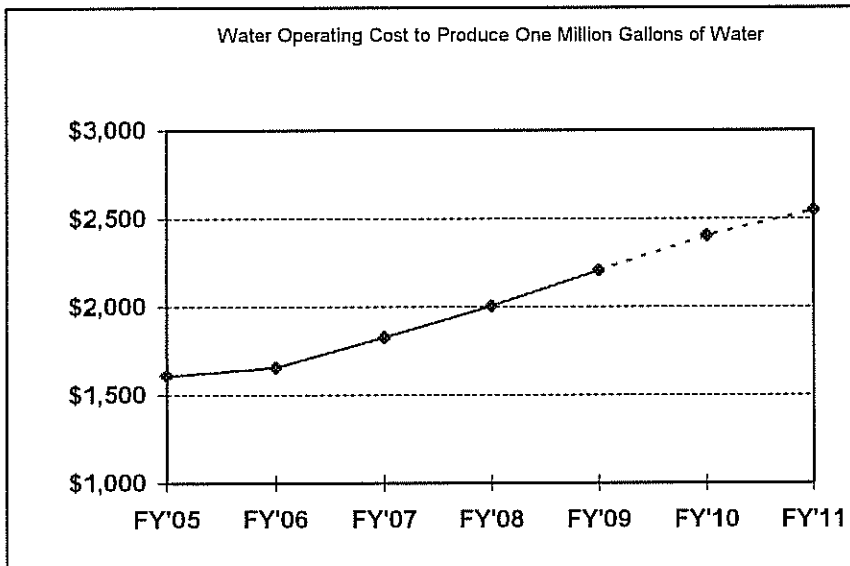
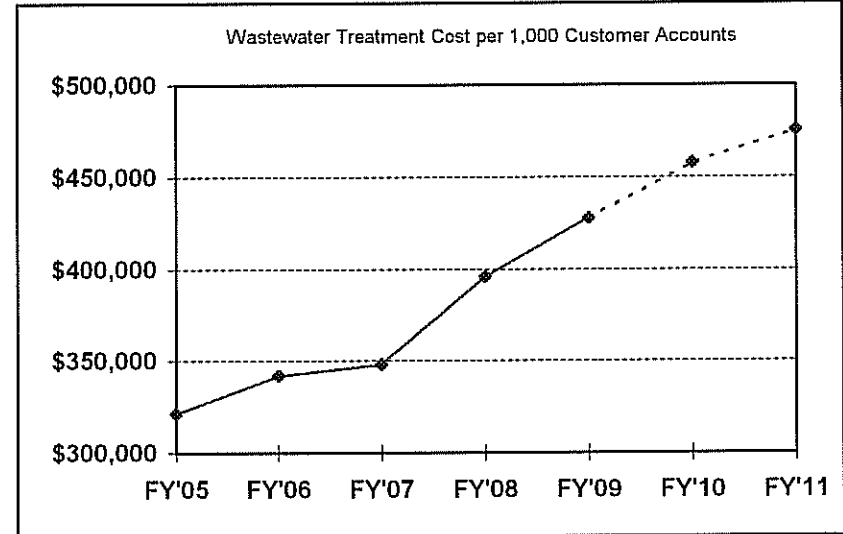
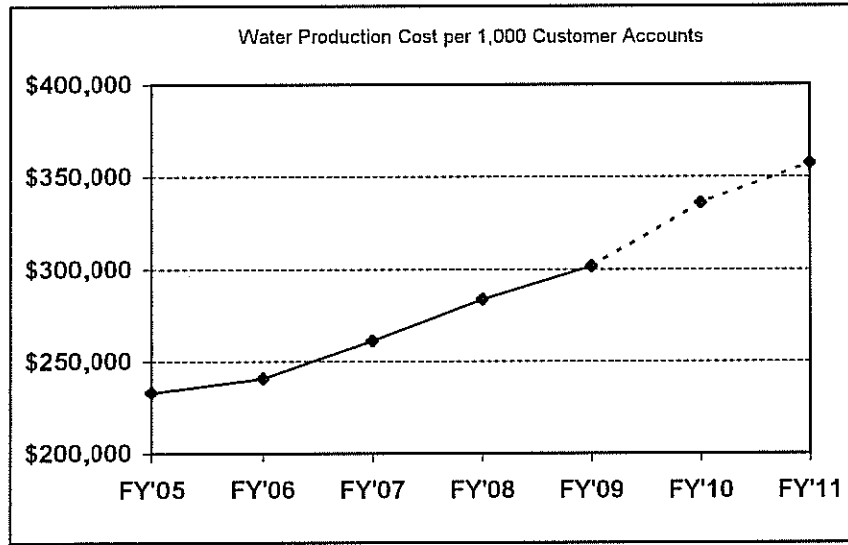
Goal: Provide timely procurement services.

Group: Acquisition Office

Objective	Outcome Measure	FY'08 Actual	FY'09 Actual	FY'10 Estimate	FY'11 Projected
Establish and maintain a standard for the timely processing of purchase requisitions in the following categories:	Average number of days to process purchase requisitions in the following categories / Number of purchase requisitions processed.			(Estimated at 10% Increase)	(Estimated at 10% Increase)
\$0 – \$4,999	5 – 10 days	N/A	10/651	11/716	12/788
\$5,000 – \$24,999	10 – 20 days	N/A	26/442	29/486	31/535
\$25,000 – \$249,999	30 – 45 days	N/A	29/480	32/528	35/581
\$250,000 – \$999,999	50 – 130 days	N/A	35/178	39/196	42/215

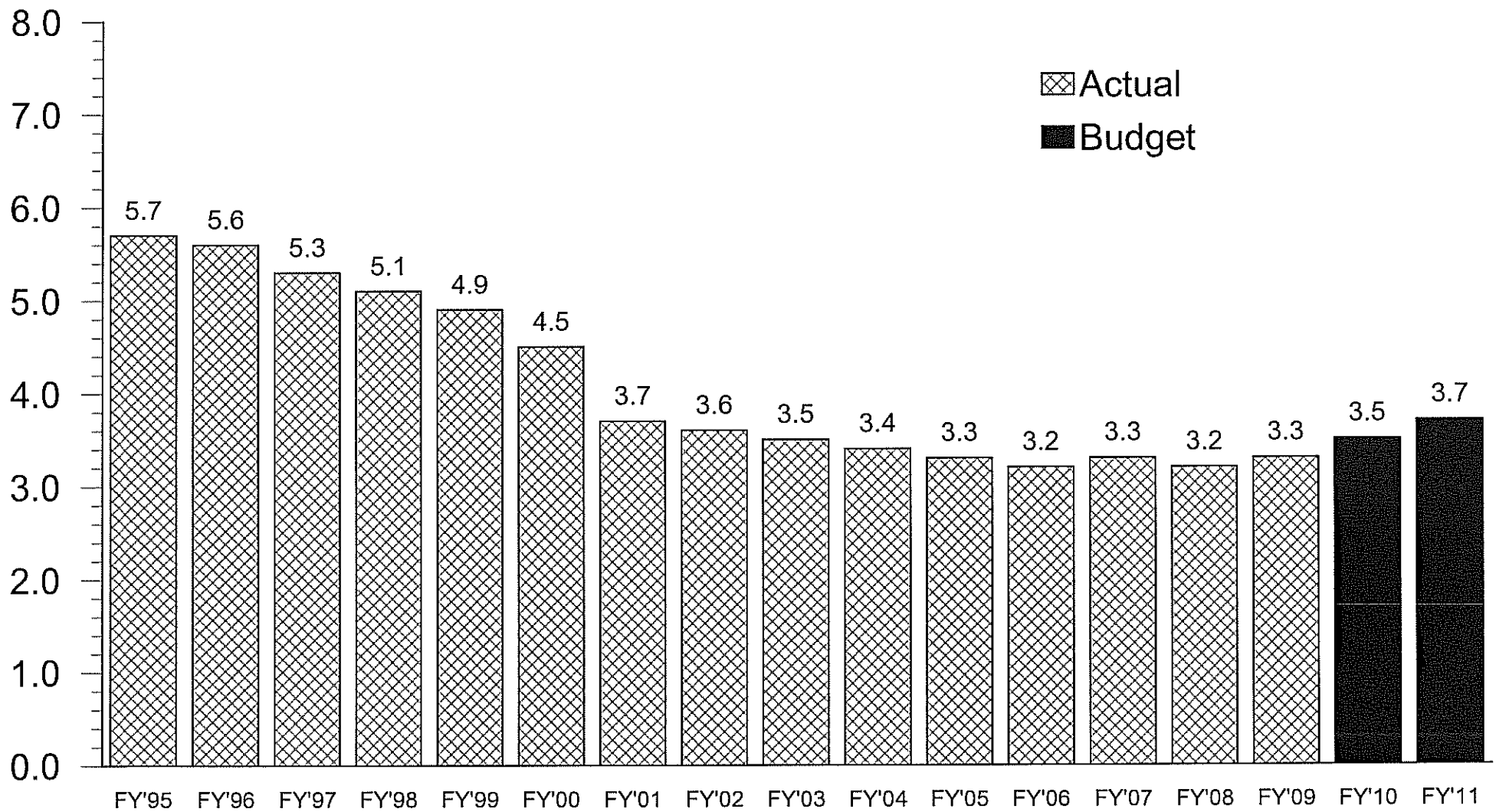
WSSC

OPERATING EFFICIENCY MEASURES

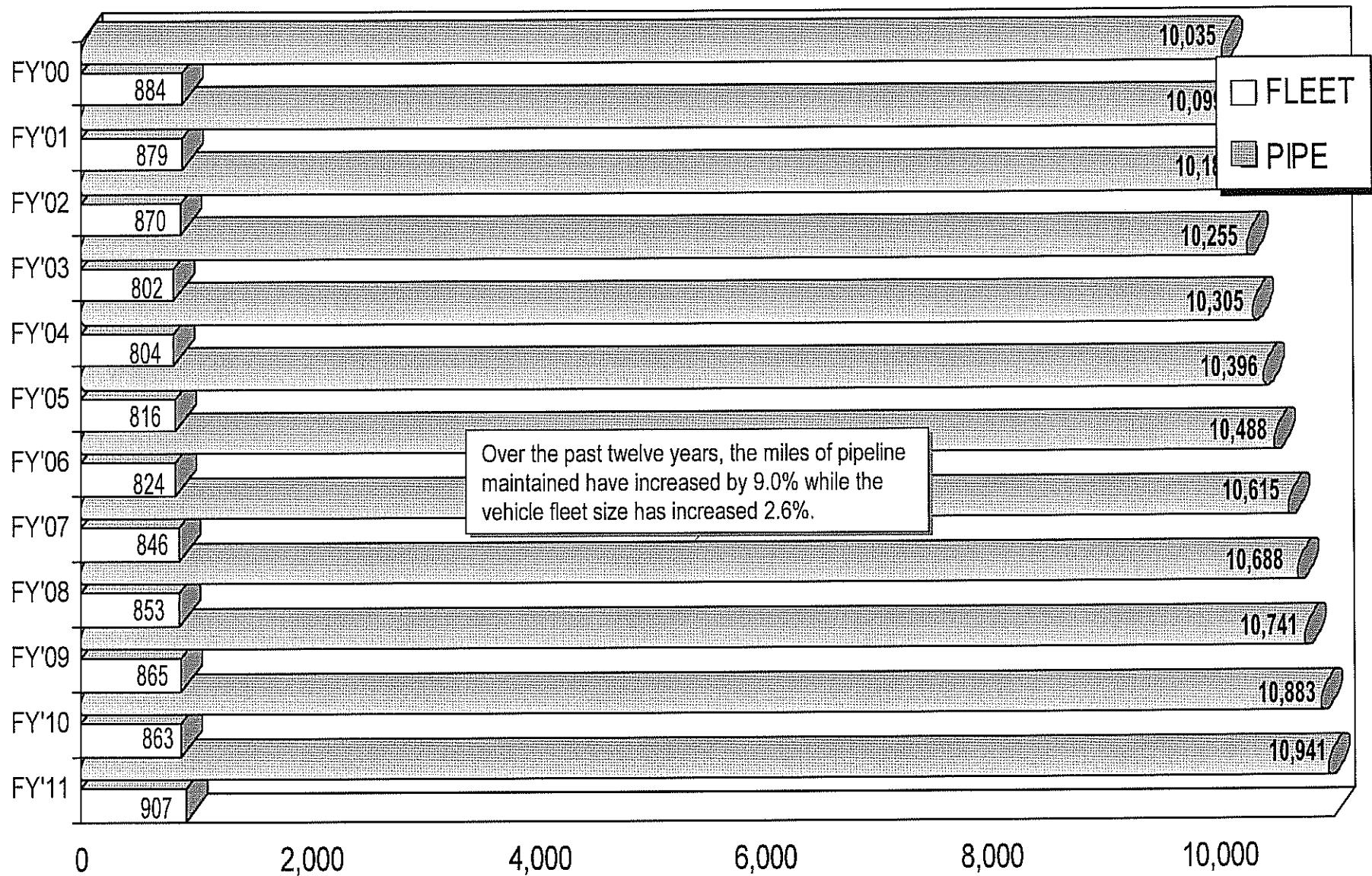


Note: FY'09 & FY'10 are budgeted, not actual.

WORKYEARS PER 1,000 CUSTOMER ACCOUNTS



VEHICLE FLEET SIZE VS. MILES OF PIPELINE MAINTAINED



Note: FY'10 & FY'11 are budgeted, not actual.

WSSC
COMPARATIVE STATISTICAL DATA

The following actual and budgeted data show the number of customer accounts increasing 2.2% and the population increasing 3.1% from FY'07 to FY'11, with the number of employee workyears increasing 15.3%. The overall size of the system, measured in miles of water and sewer pipe, will have expanded 3.1% from FY'07 to FY'11.

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 population was 1,466,000. From this perspective, the size of the system and number of accounts will have increased 19.0% and 15.7% respectively from FY'97 to FY'11 while workyears will have decreased 19.0% for the same period. The additional workyears in FY'11 will fill gaps in staffing; and provide WSSC with the means to improve customer service, meet increased regulatory requirements, and expand programs to address aging infrastructure issues.

	FY'07	FY'08	FY'09	FY'10	FY'11	FY'07-FY'11
	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>ACTUAL</u>	<u>APPROVED</u>	<u>APPROVED</u>	<u>PERCENT</u>
						<u>CHANGE</u>
Workyears	1,416	1,407	1,428	1,561	1,632	15.3%
Population	1,692,000	1,706,000	1,720,000	1,734,000	1,745,000	3.1%
Customer Accounts	433,113	433,967	433,579	443,967	442,579	2.2%
<u>Size of System</u>						
Miles to be Maintained						
Water	5,365	5,403	5,427	5,498	5,527	3.0%
Sewer	<u>5,250</u>	<u>5,285</u>	<u>5,314</u>	<u>5,385</u>	<u>5,414</u>	3.1%
TOTAL	10,615	10,688	10,741	10,883	10,941	3.1%
Water Production (average mgd)	169.8	168.2	162.3	170.0	170.0	0.1%
Sewage Flows (average mgd)	189.2	177.8	178.6	210.7	212.6	12.4%

ORGANIZATIONAL HIGHLIGHTS

SECTION 3

ORGANIZATIONAL HIGHLIGHTS

FY'11 Approved

<u>Amount</u>	<u>Workyears</u>
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Commissioners Office/Corporate Secretary's Office, General Manager & Staff Offices

\$27,517,600	135.0
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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; Acquisition and Corporate Asset Management.

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

ORGANIZATIONAL HIGHLIGHTS

(Continued)

- The ***Small, Local and Minority Business Enterprise Office*** is responsible for planning, managing, coordinating, and monitoring the Commission's Small, Local and Minority Business Enterprise (SLMBE) Program and the Small, Local Business Enterprise (SLBE) Program, in accordance with state law. The Office develops policies designed to accomplish greater Minority Business Enterprise (MBE) and SLBE participation in Commission contracting opportunities; prepares reports for Commissioners, legislators, and managers; addresses contractor requests and inquiries; and promotes equity and responsiveness in WSSC contracting.
- The ***Fair Practice Office*** is responsible for planning, directing, and coordinating the activities of the Fair Practice Officer and employee liaison efforts as they relate to Equal Employment Opportunity practices.
- The ***Acquisition Office*** is responsible for the acquisition of materials, supplies, and services, including professional services, necessary to support Commission operations and functions, and the bid and award of all construction contracts.
- The ***Corporate Asset Management Office*** is responsible for all asset management initiatives including the Utility Master Plan and Enterprise Resource Planning/Enterprise Asset Management projects.

ORGANIZATIONAL HIGHLIGHTS

(Continued)

	<u>FY'11 Approved</u>	
	<u>Amount</u>	<u>Workyears</u>
<u>Engineering & Construction Team</u>	\$466,950,600	317.0

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 determining when facilities and major pipelines will reach capacity through an analysis of existing water demand and sewer flows, input from the counties' Ten Year Plans, and the population/employee growth projections provided by the Maryland-National Capital Park & Planning Commission. In addition, this Group participates in regional water and wastewater management and planning, including oversight of Blue Plains capital billing and Capital Improvements Program budgeting; supports negotiations of Blue Plains agreements; represents the WSSC on Blue Plains Committees; and contributes resources to the Regional Water Fund.
- The ***Project Delivery Group*** is responsible for administering and managing facility planning studies, special projects, and other miscellaneous contracts; facility and major pipeline designs; and the construction and inspection of major facility projects.
- The ***Infrastructure-Systems Group*** is responsible for the investigation and analysis of existing water pipeline systems. The Group decides which mains need to be replaced under the Water Main Replacement Program and conducts corrosion testing of major pipelines and Prestressed Concrete Cylinder Pipe (PCCP) inspections.
- The ***Process Control Group*** is responsible for coordinating and managing all process control activities. This includes designing process control systems for new facilities, improving automation for existing facilities, and properly 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, and responds to spills of hazardous materials entering the sewer system.

ORGANIZATIONAL HIGHLIGHTS

(Continued)

- The ***Systems Inspection Group*** is responsible for contract management and inspection of the construction contracts for water supply and wastewater pipelines.
- The ***Technical Services Group*** is responsible for preparing specifications for construction contracts; producing Engineer's Estimates; providing project estimates; maintaining the WSSC's General Conditions and Standards Specifications, and Standard Details; performing land surveys and property acquisitions; providing mechanical and electrical design work; and providing Geographic Information System (GIS) mapping work.
- 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 permit reviews and negotiations.

During FY'11, the Team plans to review 130 water and sewer pipeline plan submittals; manage 19 capital projects in the construction phase; rehabilitate 30 miles of water main; perform inspections and condition assessment on 16 miles of PCCP, monitor 56 miles of acoustical fiber optic systems, perform 61,000 plumbing/gasfitting inspections; inspect 300 service connection permits; and review and transmit 250 rights-of-way packages.

ORGANIZATIONAL HIGHLIGHTS

(Continued)

FY'11 Approved

<u>Amount</u>	<u>Workyears</u>
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Production Team

\$150,503,400	288.0
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This Team, led by the Chief of Plant Operations, is comprised of the Potomac, Patuxent, Piscataway, Parkway/Marlboro Meadows, Western Branch, Seneca/Damascus/Hyattstown, Laboratory Services, Systems Control, Industrial Assets Management, and Information Support Groups, and the Utility Cost Control Office.

- The *Potomac, Patuxent, Piscataway, Parkway/Marlboro Meadows, 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 *Information Support Group* is responsible for providing design, development, and maintenance of the Production Team's management and analytical information systems.
- The Team's *Utility Cost Control Office* is responsible for payment and monitoring of all utility bills for electricity, gas, and oil.

During FY'11, the Team plans to filter and treat 62.1 billion gallons of water; treat a total of 26.9 billion gallons of wastewater, and dispose of 104,943 wet tons of biosolids (this does not include the wastewater treated and biosolids managed at Blue Plains); conduct 500,000 laboratory analyses; rehabilitate 8 water storage tanks, and inspect the condition and prepare specifications for 4 others; and remotely monitor 4,200 data points within the water distribution system.

ORGANIZATIONAL HIGHLIGHTS

(Continued)

	<u>FY'11 Approved</u>	
	<u>Amount</u>	<u>Workyears</u>
<u>Logistics Office</u>	\$26,008,900	177.0

This Office, led by the Logistics Director, is comprised of the Property Management, Fleet Services, Materials and Services, and Security and Safety Services Groups.

- 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 and Services Group*** is responsible for acquiring and distributing materials and supplies throughout the Commission, providing printing services, processing mail, coordinating furniture and office equipment acquisition, and inspecting materials.
- 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'11, the Office plans to maintain and fuel 907 vehicles and 673 pieces of equipment; process 4.2 million pieces of mail; manage 50 supply contracts; tag 1,400 moveable asset items; perform 100 job-site safety inspections and 20 ergonomic assessments; conduct 50 traffic control and flagger certification training classes, and specialized safety training classes.

ORGANIZATIONAL HIGHLIGHTS

(Continued)

	<u>FY'11 Approved</u>	
	<u>Amount</u>	<u>Workyears</u>
<u>Finance Office</u>	\$5,403,200	62.0

This Office, led by the Chief Financial Officer, is comprised of the Retirement, Revenue, Accounting, Disbursements, and Budget, Groups.

- 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 the formulation, preparation, justification, and administration of 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'11, the Finance Office plans to prepare a six-year Capital Improvements Program (CIP) for major water and sewer facilities by October 1, 2010; submit a proposed capital and operating budget to the counties by March 1, 2011; produce timely monthly accounting reports and financial statements; account for the Commission's fiscal year budget; calculate FFB Charges; disburse 11,000 non-payroll checks and electronic payments; prepare and distribute 40,000 payroll checks/direct deposit statements; process 29,000 invoices; maintain schedules of the Commission's note and bond principal and interest expenses; process over 1.75 million water and sewer bill payments; and counsel retirees and employees on retirement benefits.

ORGANIZATIONAL HIGHLIGHTS

(Continued)

	<u>FY'11 Approved</u>	
	<u>Amount</u>	<u>Workyears</u>
<u>Customer Care Team</u>	\$95,200,100	570.0

This Team, led by the Customer Care Team Chief, is comprised of the Customer Relations, Customer Care North, West, Central, South, Information Support, 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 ***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 ***Information Support Group*** is responsible for maintaining the data integrity and distributing information regarding the automated systems currently utilized by the Customer Care Team staff. This Group also serves as the liaison with Information Technology staff in testing and implementing new technology to determine its effectiveness for potential use by Customer Care Team employees, as well as designing and testing new applications that are necessary to fill gaps that are identified within the current information systems.
- 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.

ORGANIZATIONAL HIGHLIGHTS

(Continued)

- 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; design of sewer main and manhole rehabilitation; and administration and reporting of Sanitary Sewer Overflow (SSO) Consent Decree requirements.

During FY'11, the Team plans to perform approximately 1.9 million meter readings, generate 1.9 million customer bills, and address 755,000 customer inquiries. These inquiries are expected to result in 3,580 large meter and/or meter setting repairs, 3,050 fire hydrant repairs, 325 water service repairs, 1,140 property inspections, 18,200 small meter replacements, 2,725 emergency responses, 2,025 water main repairs, 500 miles of sewer main preventive cleaning, and replacement of a projected 6.5 miles of deteriorating water main.

ORGANIZATIONAL HIGHLIGHTS

(Continued)

FY'11 Approved

<u>Amount</u>	<u>Workyears</u>
\$18,691,100	83.0

Information Technology Team

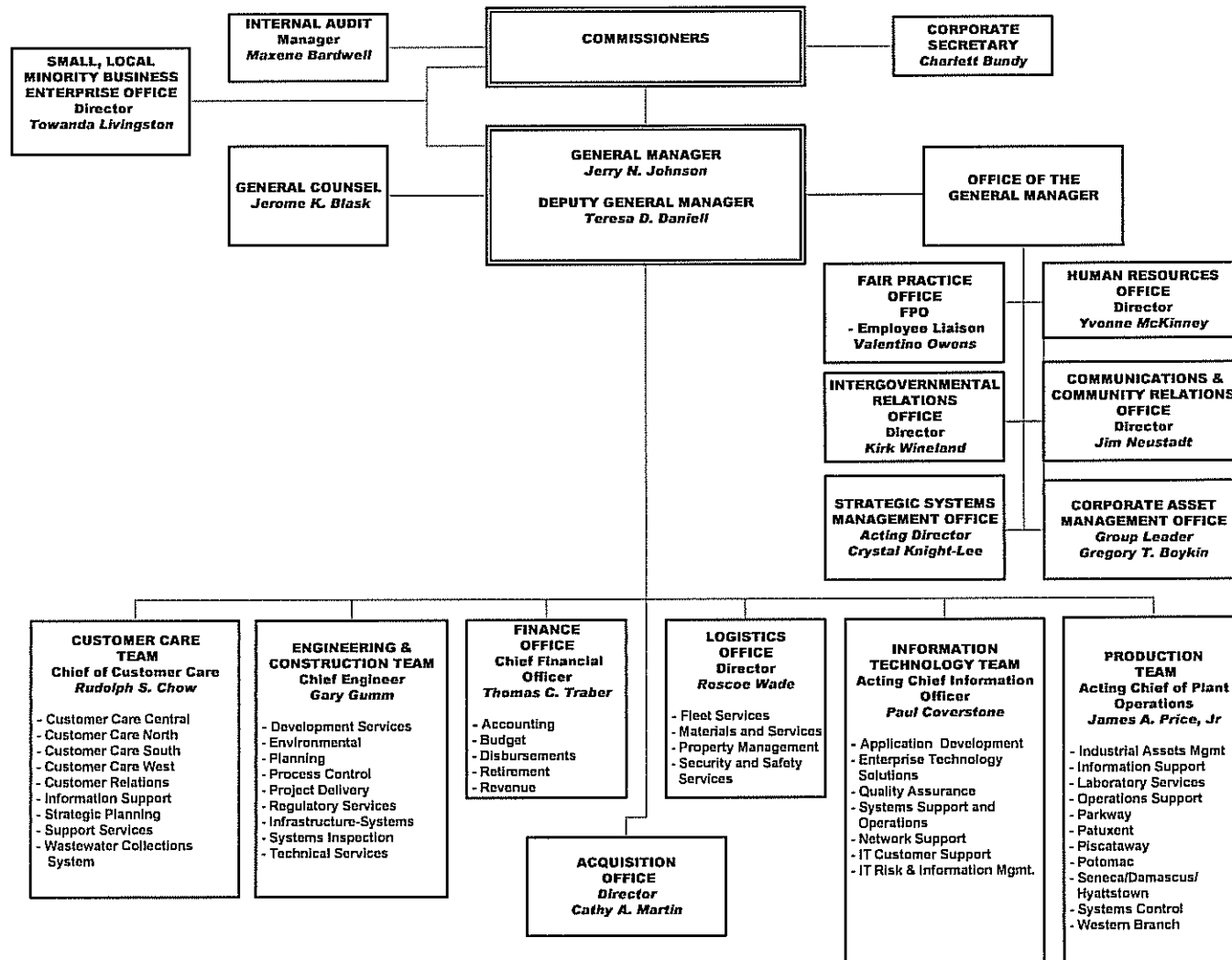
This Team, led by the Chief Information Officer, is comprised of the Application Development, Enterprise Technology Solutions, Quality Assurance, Systems Support & Operations, Network Support, Information Technology (IT) Customer Support, IT Security, and IT Governance & Interagency Liaison Divisions. The Team Office is responsible for developing, maintaining, and supporting the long- and short-term IT Strategic Plan by managing the direction of all divisions to ensure that each is aligned with the Commission's core strategies and Annual Action Items. The Team Office is also responsible for providing contract administration, budget preparation and monitoring, and enterprise architecture.

- The ***Application Development Division*** is responsible for providing application software development to support the core business operations and initiatives of the Commission.
- The ***Enterprise Technology Solutions Division*** is responsible for supporting organization-wide needs of the Commission in areas of Geographic Information Systems (GIS), Internet and intranet web development, corporate reporting, and document management systems.
- The ***Quality Assurance Division*** is responsible for designing, documenting, and implementing quality assurance (QA) methods and systems for all custom applications, enterprise technology solutions, and third-party software in use at the Commission.
- The ***Systems Support & Operations Division*** is responsible for performance measuring and tuning; storage management; tape maintenance; database administration; technical support; production program management; and disaster recovery assistance. This Division also provides hardware and system software maintenance, and operational support across the WSSC's multi-platform infrastructure environments.
- The ***Network Support Division*** is responsible for managing the Commission's data network and telecom systems and services, encompassing the design, implementation, and support for all enterprise network and telephony infrastructure.
- The ***IT Customer Support Division*** is responsible for monitoring all Commission desktop initiatives and operations, IT Inventory/Asset management, and IT service request and delivery.
- The ***IT Security Division*** is responsible for protecting data and information technology assets from unauthorized use, modification, or destruction and maintaining a contingency plan for disaster recovery and business resumption.
- The ***IT Governance & Interagency Liaison Division*** is responsible for developing and managing the information technology governance process ensuring alignment of IT priorities with business initiatives and effective acquisition of third-party software, hardware, and change management.

ORGANIZATION AND FACILITIES

SECTION 4

WSSC ORGANIZATION CHART



Approved Expenditures by Organizational Unit

	FY'10 Approved		FY'11 Approved	
	Workyears	Amount	Workyears	Amount
Commissioners Office/Corporate Secretary's Office	2.0	\$ 309,100	2.0	\$ 323,200
Internal Audit	8.0	986,900	9.0	1,045,200
General Manager	4.0	603,300	5.0	943,800
Intergovernmental Relations Office	5.0	580,400	5.0	581,500
Strategic Systems Management Office	10.0	921,600	7.0	844,800
General Counsel's Office	16.0	3,853,200	16.0	3,786,100
Communications & Community Relations Office	16.0	1,567,800	17.0	1,857,600
Human Resources Office	22.0	3,155,900	22.0	3,098,800
Small, Local and Minority Business Enterprise Office	8.0	656,000	8.0	1,085,400
Fair Practice Office	2.0	172,100	2.0	172,600
Acquisition Office	21.0	1,816,000	26.0	2,027,900
Corporate Asset Management Office	15.0	13,097,200	16.0	11,750,700
Engineering & Construction Team	303.0	353,816,100	317.0	466,950,600
Production Team	280.0	144,956,000	288.0	150,503,400
Logistics Office	173.0	26,731,500	177.0	26,008,900
Finance Office	62.0	5,377,700	62.0	5,403,200
Customer Care Team	535.0	77,471,400	570.0	95,200,100
Information Technology Team	79.0	19,502,600	83.0	18,691,100
Non-Departmental (Finance)	-	31,930,300	-	33,840,200
Non-Departmental (Human Resources)	-	25,910,800	-	29,652,200
Debt Service	-	236,688,500	-	233,136,000
Depreciation Expense	-	10,078,600	-	11,846,700
Operating Reserve Contribution	-	1,500,000	-	1,500,000
SUMMARY-TOTAL	1,561.0	\$ 961,683,000	1,632.0	\$ 1,100,250,000

Comparative Personnel Complement by Organizational Unit

	FY'09 Actual		FY'10 Approved		FY'11 Approved	
	Positions	Workyears	Positions	Workyears	Positions	Workyears
<u>Commissioners Office/Corporate Secretary's Office</u>	*8	2.0	*8	2.0	*8	2.0
Internal Audit	8	7.2	8	8.0	9	9.0
<u>General Manager</u>	4	3.0	4	4.0	5	5.0
Intergovernmental Relations Office	5	4.1	5	5.0	5	5.0
Strategic Systems Management Office	10	7.7	10	10.0	7	7.0
General Counsel's Office	16	14.7	16	16.0	16	16.0
Communications & Community Relations Office	16	15.0	16	16.0	17	17.0
Human Resources Office	22	23.4	22	22.0	22	22.0
Small, Local and Minority Business Enterprise Office	8	6.7	8	8.0	8	8.0
Fair Practice Office	2	2.0	2	2.0	2	2.0
Acquisition Office	21	15.7	21	21.0	26	26.0
Corporate Asset Management Office	15	7.3	15	15.0	16	16.0
Engineering & Construction Team	302	272.2	303	303.0	317	317.0
Production Team	278	266.8	280	280.0	288	288.0
Logistics Office	173	146.1	173	173.0	177	177.0
Finance Office	62	56.8	62	62.0	62	62.0
Customer Care Team	532	504.3	535	535.0	570	570.0
Information Technology Team	79	73.1	79	79.0	83	83.0
SUMMARY-TOTAL	<u>1,555</u>	<u>1,428.1</u>	<u>1,561</u>	<u>1,561.0</u>	<u>1,632</u>	<u>1,632.0</u>

* Commissioners (6) not included in total positions.

FACILITIES CURRENTLY IN OPERATION

WASTEWATER TREATMENT PLANTS

Piscataway
Western Branch
Parkway
Damascus
Seneca
Hyattstown
Marlboro Meadows

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'11 Approved	
	<u>Workyears</u>	<u>Amount</u>
Base Positions Funded Full Year	1,632	\$ 114,581,200
Overtime		<u>5,600,700</u>
Subtotal		120,181,900
Lapse on Base Positions *		<u>(3,435,000)</u>
Subtotal		116,746,900
Salary Enhancements		-
Salary - 6 Commissioners		<u>78,500</u>
TOTAL	<u>1,632</u>	<u>\$ 116,825,400</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'05</u> <u>ACTUAL</u>	<u>FY'06</u> <u>ACTUAL</u>	<u>FY'07</u> <u>ACTUAL</u>	<u>FY'08</u> <u>ACTUAL</u>	<u>FY'09</u> <u>ACTUAL</u>	<u>FY'10</u> <u>BUDGET</u>	<u>FY'11</u> <u>APPROVED</u>
Population Served	1,612,000	1,678,000	1,692,000	1,706,000	1,720,000	1,734,000	1,745,000
Customer Accounts	425,407	428,887	433,113	433,967	433,579	443,967	442,579
Water Produced (average MGD)	168.7	170.5	169.8	168.2	162.3	170.0	170.0
Water Produced (millions of gallons)	61,566	62,228	61,795	61,572	59,255	62,050	62,050
Water Mains Maintained (miles)	5,260	5,300	5,365	5,403	5,427	5,498	5,527
Water Mains Constructed (miles added by WSSC)	3	2	13.6*	0.2	0.5	5	5
Water Mains Constructed (miles added by developers)	42	38	51	38	23	45	45
Water House Connections Maintained	422,451	427,639	432,716	436,600	438,893	446,600	447,893
Water House Connections Installed	4,787	5,188	5,077	3,884	2,293	5,000	4,000
Water Meters Issued	21,543	29,730	13,916	16,457	13,458	16,578	15,622
Sewage Systems Total Flow (average MGD)	195.6	185.4	189.2	177.8	178.6	209.9	212.6
Sewage Systems Total Flow (millions of gallons)	71,381	67,682	69,071	65,068	65,201	76,614	77,599
Sewer Mains Maintained (miles)	5,136	5,188	5,250	5,285	5,314	5,385	5,414
Sewer Mains Constructed (miles added by WSSC)	3	4	11.4*	1	1.8	5	5
Sewer Mains Constructed (miles added by developers)	43	48	51	34	27	45	45
Sewer House Connections Maintained	401,580	406,303	410,923	414,386	416,392	424,386	425,392
Sewer House Connections Installed	4,507	4,723	4,620	3,463	2,006	5,000	4,000
Maintenance Work Orders (Emergency and Routine)	95,149	102,165	73,967	93,570	87,942	90,000	90,500
Vehicles in Fleet	816	824	846	853	865	863	907
Miles Traveled by Fleet	6,171,875	6,030,312	6,224,544	5,498,376	5,399,040	6,000,000	5,880,000
Water Meter Readings Completed	1,761,736	1,762,000	1,732,288	1,853,520	1,876,796	1,902,900	1,900,500
Authorized Positions	1,525	1,502	1,532	1,525	1,555	1,561	1,632
Authorized Workyears	1,463	1,458	1,490	1,525	1,555	1,561	1,632
Actual Employment Level - Beginning	1,433	1,383	1,377	1,428	1,434	1,455	
Actual Employment Level - Ending	1,383	1,377	1,428	1,434	1,455		
Actual Workyears	1,405	1,373	1,416	1,407	1,428		

* Reflects the acquisition of the Marlboro Meadows System

SELECTED FINANCIAL DATA

	<u>FY'05 ACTUAL</u>	<u>FY'06 ACTUAL</u>	<u>FY'07 ACTUAL</u>	<u>FY'08 ACTUAL</u>	<u>FY'09 ACTUAL</u>	<u>FY'10 BUDGET</u>	<u>FY'11 APPROVED</u>
1. Customer Water & Sewer Rate Percent Change							
<u>Consumption Charges</u>							
Water	-1.7%	-2.0%	-1.1%	7.2%	10.3%	12.1%	14.0%
Sewer	7.2%	6.2%	6.1%	6.0%	6.5%	6.8%	4.3%
Combined	3.0%	2.5%	3.0%	6.5%	8.0%	9.0%	8.5%
 2. Water & Sewer Bill Revenues (\$ in Thousands)							
Water Consumption Charges	\$143,992	\$146,413	\$142,968	\$155,897	\$159,480	\$189,071	\$216,086
Sewer Use Charges	177,844	192,794	203,471	216,340	218,910	251,230	262,732
Total Consumption Charges	<u>321,836</u>	<u>339,207</u>	<u>346,439</u>	<u>372,237</u>	<u>378,390</u>	<u>440,301</u>	<u>478,818</u>
Account Maintenance Fee	21,672	21,955	21,957	21,888	21,789	22,850	22,850
Total	<u>\$ 343,508</u>	<u>\$ 361,162</u>	<u>\$ 368,396</u>	<u>\$ 394,125</u>	<u>\$ 400,179</u>	<u>\$ 463,151</u>	<u>\$ 501,668</u>
 3. Water Production (average MGD)							
	168.7	170.5	169.8	168.2	162.3	170.0	170.0

WATER & SEWER OPERATING FUNDS - COMBINED

(\$ In Thousands)

	<u>FY'05 ACTUAL</u>	<u>FY'06 ACTUAL</u>	<u>FY'07 ACTUAL</u>	<u>FY'08 ACTUAL</u>	<u>FY'09 ACTUAL</u>	<u>FY'10 APPROVED</u>	<u>FY'11 APPROVED</u>
<u>REVENUES</u>							
Water Consumption Charges	\$ 143,992	\$ 146,413	\$ 142,968	\$ 155,897	\$ 159,480	\$ 189,071	\$ 216,086
Sewer Use Charges	177,844	192,794	203,471	216,340	218,910	251,230	262,732
Interest Income	2,661	5,382	5,596	3,872	902	5,500	4,000
Miscellaneous	17,155	17,534	18,903	21,177	19,288	19,217	21,628
Account Maintenance Fee	21,672	21,955	21,957	21,888	21,789	22,850	22,850
Total Revenues	<u>363,324</u>	<u>384,078</u>	<u>392,895</u>	<u>419,174</u>	<u>420,369</u>	<u>487,868</u>	<u>527,296</u>
SDC Debt Service Offset	3,002	2,907	2,810	2,711	2,612	2,498	2,398
Reconstruction Debt Service Offset	8,000	8,000	10,000	12,000	12,000	11,500	11,500
Use of Fund Balance	8,500	27,146	10,412	10,890	16,284	20,203	3,181
Net Fund Balance Increase	(5,024)	(1,482)	-	-	-	-	-
Total Funds Available	<u>\$ 377,802</u>	<u>\$ 420,649</u>	<u>\$ 416,117</u>	<u>\$ 444,775</u>	<u>\$ 451,265</u>	<u>\$ 522,069</u>	<u>\$ 544,375</u>
<u>EXPENDITURES</u>							
Salaries & Wages	\$ 72,360	\$ 73,539	\$ 78,799	\$ 84,702	\$ 87,396	\$ 90,879	\$ 93,483
Heat, Light & Power	15,274	19,350	20,525	23,025	26,315	28,422	27,819
Regional Sewage Disposal	35,564	38,281	39,327	42,384	44,767	42,224	47,713
Debt Service	132,971	139,497					
Principal Payments			95,661	97,082	103,165	112,316	111,140
Interest Payments			45,758	39,405	37,931	57,511	63,314
Debt Reduction (PAYGO)	7,000	22,924	1,482	-	-	-	-
All Other	110,851	118,508	125,175	144,544	157,689	190,717	200,906
Total Expenditures	<u>\$ 374,020</u>	<u>\$ 412,099</u>	<u>\$ 406,727</u>	<u>\$ 431,142</u>	<u>\$ 457,263</u>	<u>\$ 522,069</u>	<u>\$ 544,375</u>
Water Production (average MGD)	168.7	170.5	169.8	168.2	162.3	170.0	170.0

CAPITAL BUDGET VS. ACTUAL EXPENSES

FY'87 - FY'09

(\$ 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
1987	31,819	22,365	107,403	29,026	90,342	63,871	18,456	4,720	248,020	119,982
1988	37,331	28,577	141,454	54,304	104,540	75,824	25,040	6,298	308,365	165,003
1989	62,201	48,004	112,074	82,911	114,127	76,838	4,085	6,496	292,487	214,249
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

OPERATING BUDGET

SECTION 6

OPERATING FUNDS

PURPOSES OF FUNDS - SOURCES OF REVENUE

The WSSC Operating Budget consists of the Water Operating, Sewer Operating, and Interest and Sinking 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 \$2.52 to \$5.79 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 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)

	<u>FY'08</u>	<u>FY'09</u>	<u>FY'10</u>	<u>FY'11</u>
	<u>Actual</u>	<u>Actual</u>	<u>Approved</u>	<u>Approved</u>
Water Consumption Charges	\$155,897	\$159,480	\$189,071	\$216,086
Account Maintenance Fee	11,159	11,116	11,425	11,425
Plumbing & Inspection Fees	2,427	2,052	2,893	2,893
Interest	963	(78)	2,100	1,500
SDC Debt Service Offset	552	533	514	495
Miscellaneous	6,046	5,897	6,694	6,710

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 for use of its system; 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 \$3.09 to \$7.83 per 1,000 gallons of metered water. Customers who receive sewage disposal services only are currently charged at a flat rate of \$75.00 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 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'08</u>	<u>FY'09</u>	<u>FY'10</u>	<u>FY'11</u>
	<u>Actual</u>	<u>Actual</u>	<u>Approved</u>	<u>Approved</u>
Sewer Use Charges	\$216,340	\$218,910	\$251,230	\$262,732
Account Maintenance Fee	10,729	10,673	11,425	11,425
Plumbing & Inspection Fees	2,427	2,052	2,930	2,930
Interest	2,909	980	3,400	2,500
Rockville Sewer Use	2,319	2,540	2,288	2,258
SDC Debt Service Offset	2,159	2,079	1,984	1,903
Miscellaneous	7,958	6,747	4,412	6,837

OPERATING FUNDS

(Continued)

Interest and Sinking Fund

Purposes of Fund - To pay the principal and interest on General Construction Bonds and to pay principal and interest on Prince George's County Storm Drainage 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, while reimbursement from Prince George's County is used to pay the principal and interest on Prince George's County Storm Drainage Bonds. The debt service on the Storm Drainage Bonds ends in Fiscal Year 2010.

Current Approved Front Foot Benefit Assessment Rates

(\$ Per Foot)

<u>Subdivision</u>	<u>Water</u>	<u>Sewer</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. Prior to October 1, 1992, these connection charges could 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)

Debt Service Reimbursement - revenue from Prince George's County used to pay the debt service on bonds issued to pay for storm drainage projects constructed prior to the county's assumption of the storm drain program on July 1, 1987.

Interest on Investments - revenue derived from investments of cash available to the fund, including interest income from the investment of cash available to the Storm Drainage and General Construction Bond Funds.

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

Interest and Sinking Fund Revenue Sources

(\$ In Thousands)

	<u>FY'08</u> <u>Actual</u>	<u>FY'09</u> <u>Actual</u>	<u>FY'10</u> <u>Approved</u>	<u>FY'11</u> <u>Approved</u>
Front Foot Benefit Charges and Deferred House Connection Charges	\$74,337	\$69,297	\$64,033	\$59,298
Debt Service Reimbursement	749	754	787	-
Interest	7,331	2,467	2,756	2,047
Miscellaneous	1,353	891	1,500	1,300

CONSOLIDATED STATEMENT OF OPERATING FUNDS, REVENUES, AND EXPENDITURES

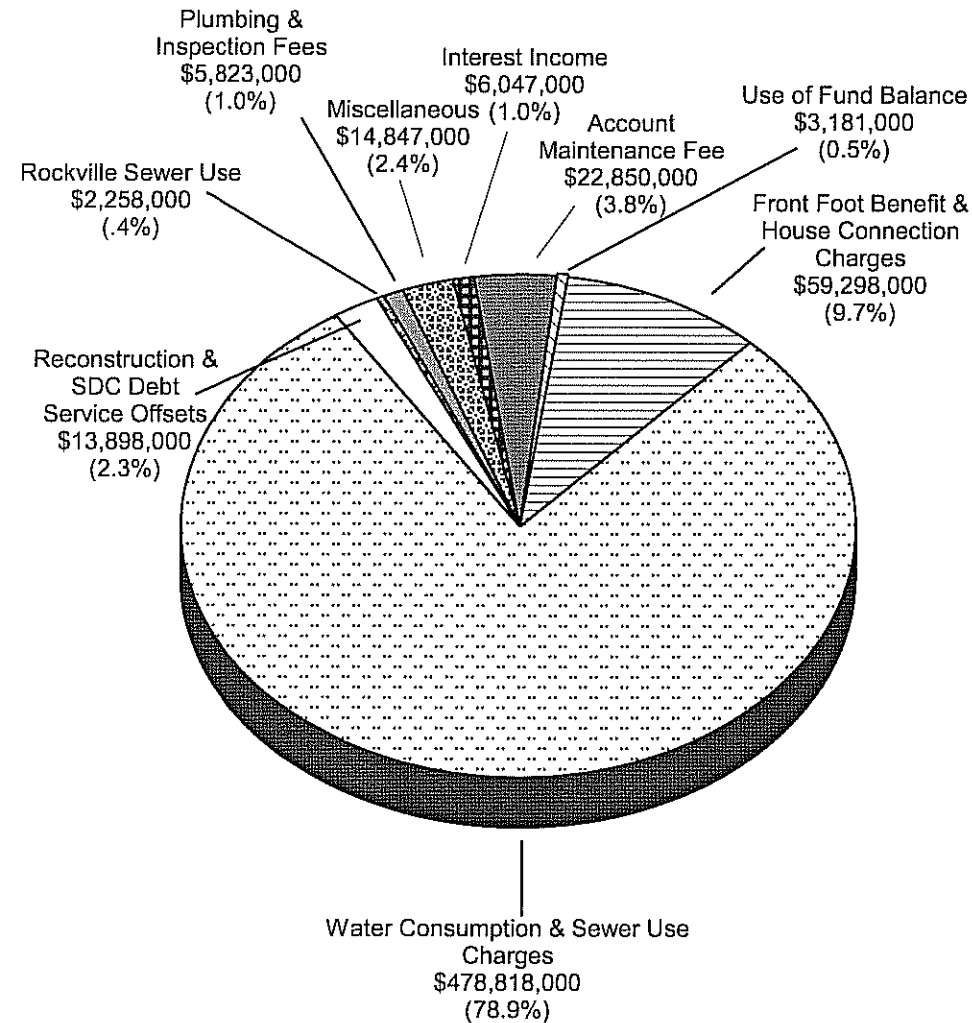
(\$ In Thousands)

	<u>FY'09 Actual</u>	<u>FY'10 Approved Budget</u>	<u>FY'11 Approved Budget</u>
<u>REVENUES</u>			
Water Consumption Charges	\$159,480	\$189,071	\$216,086
Sewer Use Charges	218,910	251,230	262,732
Account Maintenance Fee	21,789	22,850	22,850
Front Foot Benefit & House Connection Charges (Deferred)	69,297	64,033	59,298
Debt Service Reimbursement	754	787	-
Plumbing & Inspection Fees	4,104	5,823	5,823
Interest Income	3,369	8,256	6,047
Rockville Sewer Use	2,540	2,288	2,258
Use of Fund Balance	16,284	20,203	3,181
Miscellaneous	<u>13,535</u>	<u>12,606</u>	<u>14,847</u>
TOTAL REVENUES	<u>510,062</u>	<u>577,147</u>	<u>593,122</u>
<u>EXPENSES</u>			
Salaries & Wages	87,879	91,536	95,120
Heat, Light & Power	26,315	28,422	27,819
Regional Sewage Disposal	44,767	42,224	47,713
All Other	158,222	191,679	201,862
Debt Service			
Principal Payments	159,415	165,119	158,764
Interest Payments	<u>54,593</u>	<u>71,551</u>	<u>74,272</u>
GROSS EXPENSES	<u>531,191</u>	<u>590,531</u>	<u>605,550</u>
Less: Reconstruction Debt Service Offset	(12,000)	(11,500)	(11,500)
SDC Debt Service Offset	<u>(2,612)</u>	<u>(2,498)</u>	<u>(2,398)</u>
NET EXPENSES	<u>516,579</u>	<u>576,533</u>	<u>591,652</u>
NET REVENUE (LOSS) FOR YEAR	<u>\$ (6,517)</u>	<u>\$ 614</u>	<u>\$ 1,470</u>

FY 2011 APPROVED BUDGET

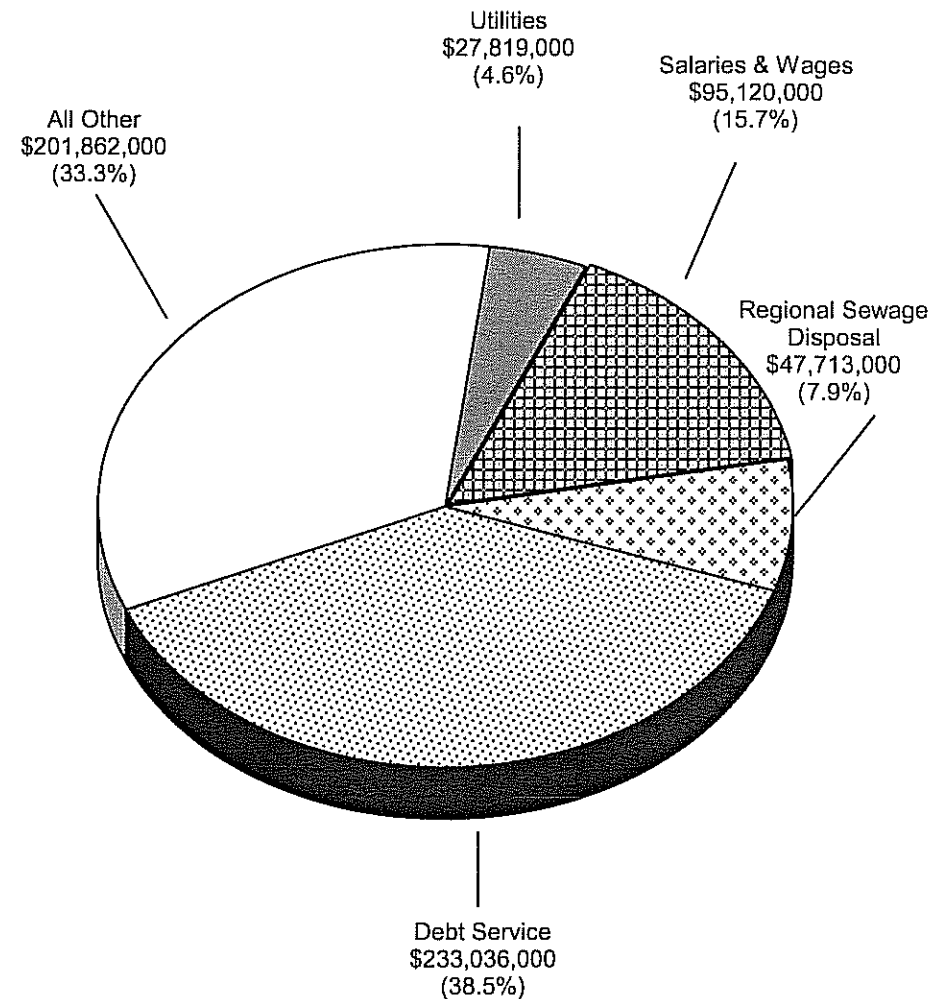
OPERATING BUDGET

BY REVENUE CATEGORY



TOTAL REVENUE & OFFSETS = \$607,020,000

BY MAJOR EXPENSE CATEGORY



TOTAL EXPENSE = \$605,550,000

WATER OPERATING

(\$ In Thousands)

	<u>FY'09 Actual</u>	<u>FY'10 Approved Budget</u>	<u>FY'11 Approved Budget</u>
<u>REVENUES</u>			
Water Consumption Charges	\$ 159,480	\$ 189,071	\$ 216,086
Account Maintenance Fee	11,116	11,425	11,425
Plumbing & Inspection Fees	2,052	2,893	2,893
Interest Income	(78)	2,100	1,500
Products & Technology	-	-	-
Use of Fund Balance	5,985	10,728	846
Miscellaneous	5,897	6,694	6,710
Reserve Requirement	-	-	(8,000)
TOTAL REVENUES	<u>184,452</u>	<u>222,911</u>	<u>231,460</u>
<u>EXPENSES</u>			
Salaries & Wages	44,974	45,387	48,185
Heat, Light & Power	15,124	15,069	15,134
All Other	70,591	88,610	94,778
Debt Service			
Principal Payments	52,415	56,682	55,711
Interest Payments	<u>19,307</u>	<u>29,177</u>	<u>29,647</u>
GROSS EXPENSES	<u>202,411</u>	<u>234,925</u>	<u>243,455</u>
Less: Reconstruction Debt Service Offset	(12,000)	(11,500)	(11,500)
SDC Debt Service Offset	<u>(533)</u>	<u>(514)</u>	<u>(495)</u>
NET EXPENSES	<u>189,878</u>	<u>222,911</u>	<u>231,460</u>
NET REVENUE (LOSS) FOR YEAR	<u>\$ (5,426)</u>	<u>\$ -</u>	<u>\$ -</u>

SEWER OPERATING

(\$ In Thousands)

	<u>FY'09 Actual</u>	<u>FY'10 Approved Budget</u>	<u>FY'11 Approved Budget</u>
<u>REVENUES</u>			
Sewer Use Charges	\$ 218,910	\$ 251,230	\$ 262,732
Account Maintenance Fee	10,673	11,425	11,425
Plumbing & Inspection Fees	2,052	2,930	2,930
Interest Income	980	3,400	2,500
Rockville Sewer Use	2,540	2,288	2,258
Products & Technology	-	-	-
Use of Fund Balance	10,299	9,475	2,335
Miscellaneous	6,747	4,412	6,837
Reserve Requirement	-	-	8,000
TOTAL REVENUES	<u>252,201</u>	<u>285,160</u>	<u>299,017</u>
<u>EXPENSES</u>			
Salaries & Wages	42,422	45,492	45,298
Heat, Light & Power	11,191	13,353	12,685
Regional Sewage Disposal	44,767	42,224	47,713
All Other	87,098	102,107	106,128
Debt Service			
Principal Payments	50,750	55,634	55,429
Interest Payments	18,624	28,334	33,667
GROSS EXPENSES	<u>254,852</u>	<u>287,144</u>	<u>300,920</u>
Less: Reconstruction Debt Service Offset	-	-	-
SDC Debt Service Offset	<u>(2,079)</u>	<u>(1,984)</u>	<u>(1,903)</u>
NET EXPENSES	<u>252,773</u>	<u>285,160</u>	<u>299,017</u>
NET REVENUE (LOSS) FOR YEAR	<u>\$ (572)</u>	<u>\$ -</u>	<u>\$ -</u>

INTEREST AND SINKING *

(\$ In Thousands)

	<u>FY'09 Actual</u>	<u>FY'10 Approved Budget</u>	<u>FY'11 Approved Budget</u>
<u>REVENUES</u>			
Front Foot Benefit & House Connection			
Charges (Deferred)	\$ 69,297	\$ 64,033	\$ 59,298
Debt Service Reimbursement	754	787	-
Interest Income	2,467	2,756	2,047
Miscellaneous	891	1,500	1,300
Use of Fund Balance	12,000	11,500	11,500
Reconstruction Debt Service Offset	(12,000)	(11,500)	(11,500)
TOTAL REVENUES	<u>73,409</u>	<u>69,076</u>	<u>62,645</u>
<u>EXPENSES</u>			
Salaries & Wages	483	657	1,637
All Other	533	962	956
Debt Service			
Principal Payments	56,250	52,803	47,624
Interest Payments	16,662	14,040	10,958
TOTAL EXPENSES	<u>73,928</u>	<u>68,462</u>	<u>61,175</u>
NET REVENUE (LOSS) FOR YEAR	<u>\$ (519)</u>	<u>\$ 614</u>	<u>\$ 1,470</u>

* Prior to FY'11 the Interest and Sinking Fund included Prince George's County Storm Drain Debt Service in addition to General Bond Debt Service.

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 Engineering Support Program, the Energy Performance Program, the Systems Reconstruction Program, the Water Storage Facility Rehabilitation Program, the Development Services Process, and other engineering projects. 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

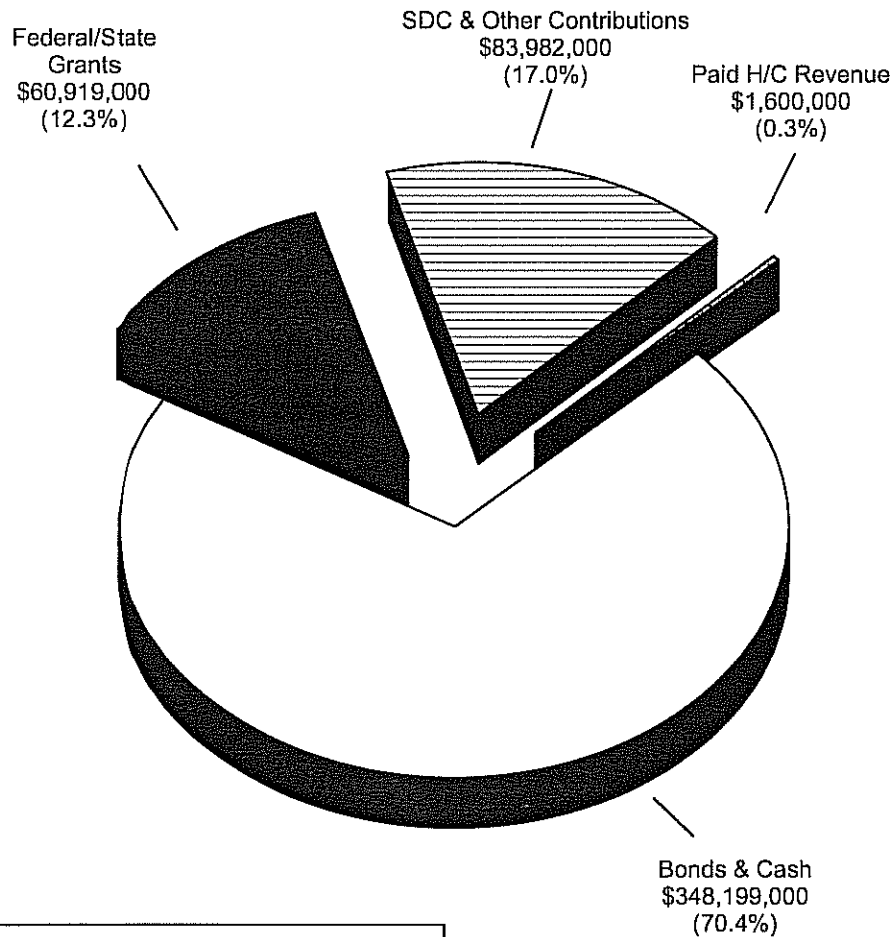
Bonds Issued and Cash On Hand - proceeds from the sale of General Construction Bonds and cash on hand at the beginning of the fiscal year.

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 2011 APPROVED BUDGET

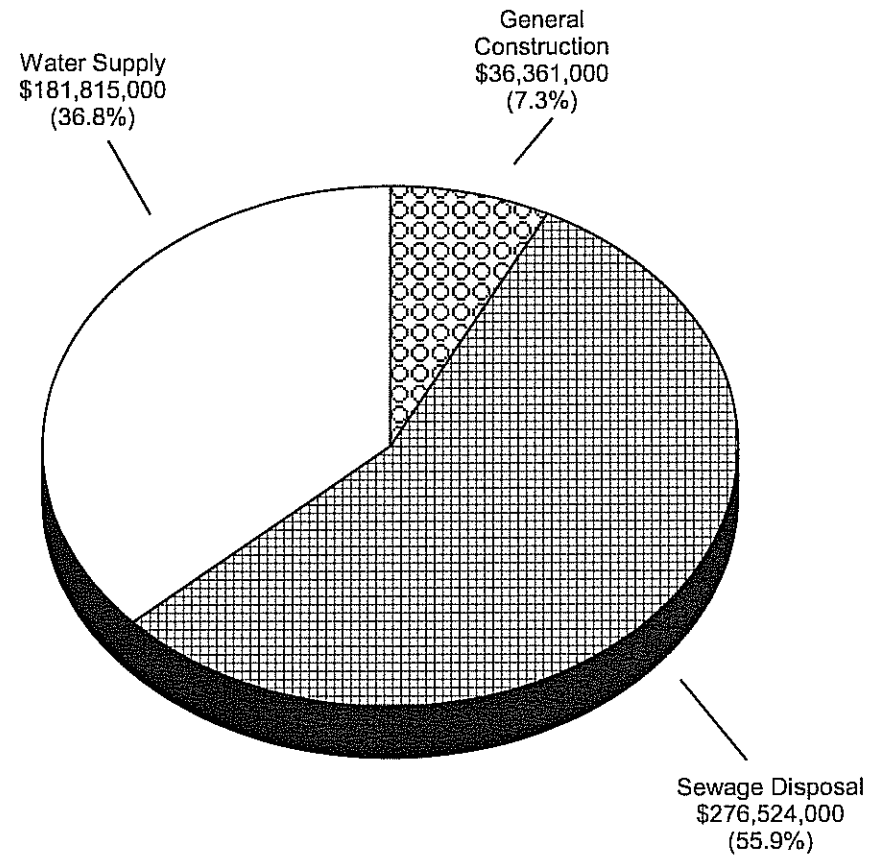
CAPITAL

BY SOURCE



SDC = System Development Charge
H/C = House Connection

BY FUND

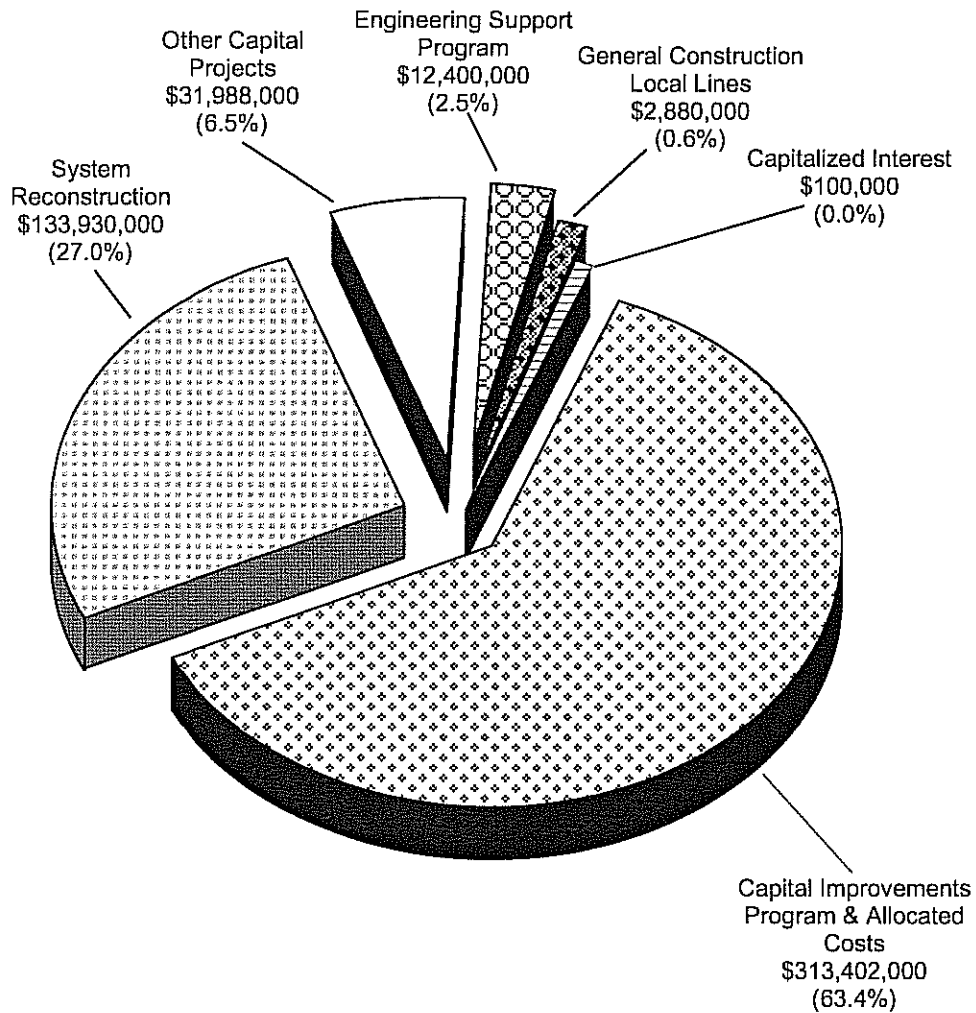


TOTAL CAPITAL = \$494,700,000

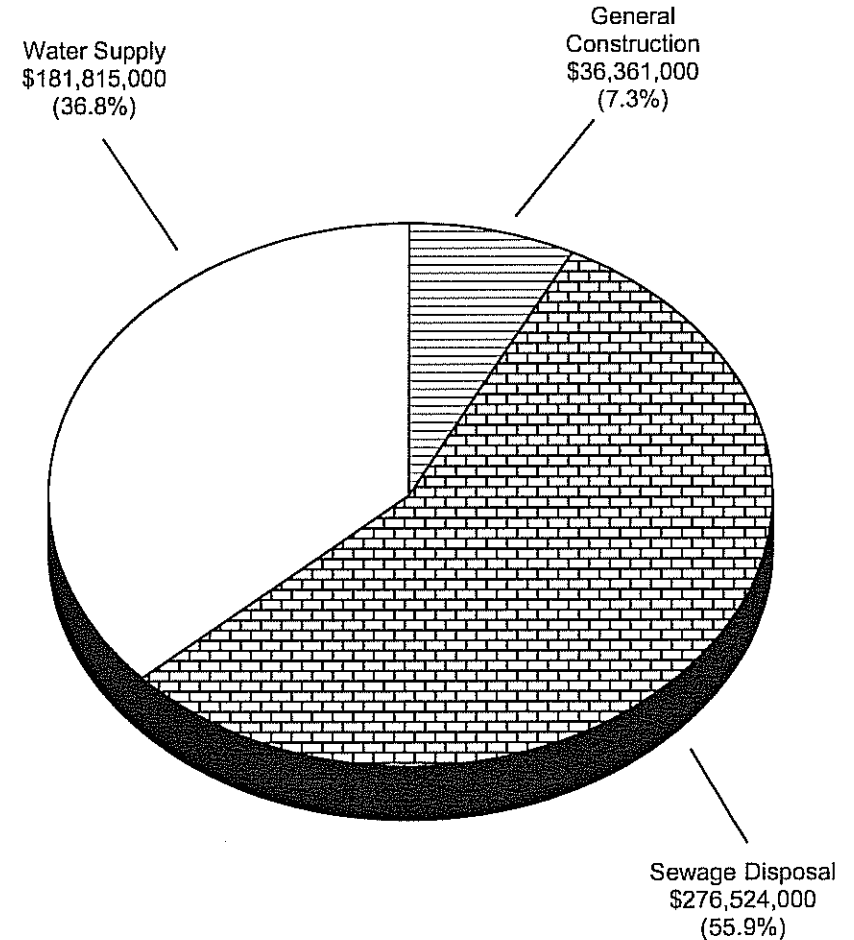
FY 2011 APPROVED BUDGET

CAPITAL EXPENDITURES

BY PROGRAM



BY FUND



TOTAL CAPITAL = \$494,700,000

STATEMENT OF CAPITAL FUNDS, INCOME, AND EXPENDITURES

CAPITAL FUNDS TOTAL

(\$ In Thousands)

	<u>FY'09 Actual</u>	<u>FY'10 Approved Budget</u>	<u>FY'11 Approved Budget</u>
<u>GROSS FUNDS AVAILABLE</u>			
Bonds Issued and Cash on Hand	\$ 178,469	\$ 231,586	\$ 348,199
Anticipated Contributions:			
Federal and State Grants	199	46,578	60,919
System Development Charge (SDC)	23,067	70,320	70,231
Other	20,294	22,668	15,351
Available for Current Construction	<u>222,029</u>	<u>371,152</u>	<u>494,700</u>
<u>CAPITAL COSTS</u>			
Salaries & Wages	19,245	21,507	21,705
Contract Work	88,197	191,561	262,884
Consulting Engineers	29,151	42,652	62,049
Debt Service (Capitalized Interest)	154	19	100
All Other	76,701	115,413	147,962
TOTAL COSTS	<u>213,448</u>	<u>371,152</u>	<u>494,700</u>
Funds Available After Current Construction	<u>\$ 8,581</u>	<u>\$ -</u>	<u>\$ -</u>

**FY'11 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	\$ 313,402	\$ 101,579	\$ 201,246	\$ 10,577
Systems Reconstruction Program	133,930	57,378	64,945	11,607
Engineering Support Program	12,400	8,700	3,700	-
General Construction - Local Lines	2,880	-	-	2,880
Other Capital Projects	31,988	14,158	6,633	11,197
Capitalized Interest	<u>100</u>	<u>-</u>	<u>-</u>	<u>100</u>
TOTAL	<u><u>\$ 494,700</u></u>	<u><u>\$ 181,815</u></u>	<u><u>\$ 276,524</u></u>	<u><u>\$ 36,361</u></u>

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

**FY'11 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'11 TOTAL</u>
<u>MONTGOMERY COUNTY</u>						
W-3.02	Olney Standpipe Replacement	\$ -	\$ 216	\$ 944	\$ 174	\$ 1,334
W-46.14	Clarksburg Area Stage 3 Water Main, Parts 1, 2, & 3	-	96	1,850	292	2,238
W-46.15	Clarksburg Elevated Water Storage Facility	-	285	-	43	328
W-46.18	Newcut Road Water Main, Part 2	-	5	200	31	236
W-46.24	Clarksburg Area Stage 3 Water Main, Part 4	-	155	1,110	190	1,455
W-113.19	Countryside Drive Water Loop	-	2	6	1	9
W-138.02	Shady Grove Standpipe Replacement	-	250	-	38	288
W-153.00	Laytonsville Elevated Tank & Pumping Station	-	100	1,621	258	1,979
W-200.00	Land & Rights-of-Way Acquisition - Montgomery	50	-	-	8	58
MONTGOMERY COUNTY SUBTOTALS		\$ 50	\$ 1,109	\$ 5,731	\$ 1,035	\$ 7,925
<u>BI-COUNTY</u>						
W-73.16	Potomac WFP Improvements	\$ -	\$ 300	\$ 2,000	\$ 230	\$ 2,530
W-73.18	Power Reliability and Arc Flash Studies	-	1,494	-	224	1,718
W-73.19	Potomac WFP Outdoor Substation No. 2 Replacement	-	115	-	17	132
W-73.20	Potomac WFP Stage 2 Disinfection Byproducts Rule Implementation	-	140	3,800	591	4,531
W-73.30	Potomac WFP Submerged Channel Intake	-	560	-	56	616
W-127.01	Bi-County Water Tunnel	-	3,460	35,000	3,846	42,306
W-139.02	Duckett & Brighton Dam Upgrades	-	515	8,841	936	10,292
W-161.01	Large Diameter Pipe Rehabilitation Program	-	2,804	1,696	500	5,000
W-172.05	Patuxent WFP Phase II Expansion	-	527	6,803	733	8,063
W-172.07	Patuxent Raw Water Pipeline	-	900	-	90	990
W-172.08	Rocky Gorge Pump Station Upgrade	-	24	250	27	301
BI-COUNTY SUBTOTALS		\$ -	\$ 10,839	\$ 58,390	\$ 7,250	\$ 76,479

**FY'11 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'11 TOTAL</u>
<u>PRINCE GEORGE'S COUNTY</u>						
W-12.02	Prince George's County HG415 Zone Water Main	\$ -	\$ 60	\$ -	\$ 9	\$ 69
W-34.02	Old Branch Avenue Water Main	-	538	450	99	1,087
W-69.03	Accokeek Elevated Water Storage Facility	-	20	32	8	60
W-111.05	Hillmeade Road Water Main	-	30	1,258	193	1,481
W-119.01	John Hanson Highway Water Main, Part 1	-	210	-	32	242
W-123.16	Marlboro Meadows System	-	275	2,400	401	3,076
W-123.20	Oak Grove/Leeland Roads Water Main, Part 2	-	27	4,944	745	5,716
W-129.12	Church Road Water Main & PRV, Part 2	-	24	-	4	28
W-147.00	Collington Elevated Water Storage Facility	-	109	1,146	187	1,442
W-147.01	Marlboro Zone Water Storage Facility	-	300	2,096	359	2,755
W-197.00	DSP & Conceptual Design Water Projects	-	684	953	248	1,885
W-204.00	Land & Rights-of-Way Acquisition - Prince George's	66	-	-	10	76
<u>PRINCE GEORGE'S COUNTY SUBTOTALS</u>		\$ 66	\$ 2,277	\$ 13,279	\$ 2,295	\$ 17,917
<u>GRAND TOTAL WATER PROJECTS</u>		\$ 116	\$ 14,225	\$ 77,400	\$ 10,580	\$ 102,321

**FY'11 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'11 TOTAL</u>
<u>MONTGOMERY COUNTY</u>						
S-25.03	Twinbrook Commons Sewer	\$ -	\$ 10	\$ 100	\$ 17	\$ 127
S-38.01	Preserve at Rock Creek Wastewater Pumping Station	-	50	350	56	456
S-38.02	Preserve at Rock Creek WWPS Force Main	-	5	138	22	165
S-53.21	Seneca WWTP Enhanced Nutrient Removal	-	488	3,500	399	4,387
S-53.22	Seneca WWTP Expansion, Part 2	-	1,390	10,000	1,139	12,529
S-61.01	Reddy Branch Wastewater Pumping Station Augmentation	-	150	-	22	172
S-84.46	Clarksburg Triangle Outfall Sewer, Part 1	-	2	10	2	14
S-84.47	Clarksburg Triangle Outfall Sewer, Part 2	-	155	926	162	1,243
S-84.60	Cabin Branch Wastewater Pumping Station	-	201	316	78	595
S-84.61	Cabin Branch WWPS Force Main	-	30	208	36	274
S-84.64	Casey West Property Sewer Main	-	2	37	6	45
S-84.65	Tapestry Wastewater Pumping Station	-	33	103	20	156
S-84.66	Tapestry WWPS Force Main	-	5	35	6	46
S-94.11	Damascus Centre WWPS Replacement	-	23	-	3	26
S-94.12	Damascus WWTP Enhanced Nutrient Removal	-	239	2,980	483	3,702
S-103.15	White Flint East (North Bethesda Center) Sewer Main	-	18	463	72	553
S-201.00	Land & Rights-of-Way Acquisition - Montgomery	10	-	-	2	12
<u>MONTGOMERY COUNTY SUBTOTALS</u>		\$ 10	\$ 2,801	\$ 19,166	\$ 2,525	\$ 24,502
<u>BI-COUNTY</u>						
S-22.06	Blue Plains WWTP: Liquid Train Projects, Part 2	\$ -	\$ 490	\$ 2,316	\$ 28	\$ 2,834
S-22.07	Blue Plains WWTP: Biosolids Management, Part 2	-	8,958	29,636	386	38,980
S-22.08	Blue Plains WWTP: Biological Nutrient Removal	-	1,473	5,959	74	7,506
S-22.09	Blue Plains WWTP: Plant-wide Projects	-	1,062	8,625	97	9,784
S-22.10	Blue Plains WWTP: Enhanced Nutrient Removal	-	7,057	27,579	346	34,982
S-22.11	Blue Plains: Pipelines & Appurtenances	-	3,134	6,105	92	9,331

**FY'11 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'11 TOTAL</u>
<u>BI-COUNTY (CONTINUED)</u>						
S-89.22	Anacostia Storage Facility	\$ -	\$ 1,060	\$ 4,400	\$ 546	\$ 6,006
S-89.23	Anacostia No. 2 Screenings Handling System	-	124	1,125	187	1,436
S-170.06	Sewer Basin Planning Program	-	1,061	-	159	1,220
S-170.07	Wastewater Pumping Station Capacity Evaluation	-	54	-	8	62
S-170.08	Septage Discharge Facility Planning & Implementation	-	300	-	30	330
S-170.09	Trunk Sewer Reconstruction Program	-	17,162	16,055	5,862	39,079
	BI-COUNTY SUBTOTALS	\$ -	\$ 41,935	\$ 101,800	\$ 7,815	\$ 151,550
<u>PRINCE GEORGE'S COUNTY</u>						
S-43.02	Broad Creek WWPS Augmentation	\$ -	\$ 2,498	\$ -	\$ 250	\$ 2,748
S-57.92	Western Branch Facility Upgrade	-	1,600	14,500	1,610	17,710
S-57.93	Western Branch WWTP Enhanced Nutrient Removal	-	1,000	13,000	1,400	15,400
S-75.21	Mattawoman WWTP Upgrades	-	7	409	4	420
S-77.18	Parkway WWTP Enhanced Nutrient Removal	-	752	7,000	775	8,527
S-77.19	Parkway WWTP Biosolids Facility Plan	-	76	-	11	87
S-96.12	Piscataway WWTP Enhanced Nutrient Removal	-	550	5,000	833	6,383
S-187.00	DSP & Conceptual Design Sewer Projects	-	301	2,446	421	3,168
S-205.00	Land & Rights-of-Way Acquisition - Prince George's	30	-	-	5	35
	PRINCE GEORGE'S COUNTY SUBTOTALS	\$ 30	\$ 6,784	\$ 42,355	\$ 5,309	\$ 54,478
	<u>GRAND TOTAL SEWER PROJECTS</u>	<u>\$ 40</u>	<u>\$ 51,520</u>	<u>\$ 163,321</u>	<u>\$ 15,649</u>	<u>\$ 230,530</u>

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 2007	FY 2008	FY 2009	FY 2010	FY 2011
100 (36,500 GAL/YR) Residential Meter	\$ 241.10	\$ 253.88	\$ 270.67	\$ 290.74	\$ 310.82
210 (76,650 GAL/YR) Residential Meter	572.12	606.61	651.83	705.49	760.68
500 (182,500 GAL/YR) Residential Meter	1,681.03	1,786.88	1,925.58	2,093.48	2,263.20
1,000 (365,000 GAL/YR) 2" Meter	3,664.20	3,890.50	4,182.50	4,536.55	4,890.60
5,000 (1,825,000 GAL/YR) 3" Meter	18,070.50	19,220.25	20,716.75	22,523.50	24,348.50
10,000 (3,650,000 GAL/YR) 6" Meter	37,667.00	40,039.50	43,142.00	46,901.50	50,661.00

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, 2010

Average Daily Consumption by Customer Unit During Billing Period (Gallons Per Day)	Water Rates		Sewer Rates		Combined Water & Sewer Rates	
	July 1, 2009 Rate Per 1,000 Gallons	July 1, 2010 Rate Per 1,000 Gallons	July 1, 2009 Rate Per 1,000 Gallons	July 1, 2010 Rate Per 1,000 Gallons	July 1, 2009 Rate Per 1,000 Gallons	July 1, 2010 Rate Per 1,000 Gallons
0-49	\$ 2.21	\$ 2.52	\$ 2.96	\$ 3.09	\$ 5.17	\$ 5.61
50-99	2.48	2.83	3.44	3.59	5.92	6.42
100-149	2.71	3.09	4.05	4.22	6.76	7.31
150-199	3.04	3.47	4.66	4.86	7.70	8.33
200-249	3.55	4.05	5.08	5.30	8.63	9.35
250-299	3.85	4.39	5.49	5.73	9.34	10.12
300-349	4.07	4.64	5.87	6.12	9.94	10.76
350-399	4.25	4.85	6.14	6.40	10.39	11.25
400-449	4.42	5.04	6.28	6.55	10.70	11.59
450-499	4.53	5.16	6.49	6.77	11.02	11.93
500-749	4.61	5.26	6.62	6.90	11.23	12.16
750-999	4.73	5.39	6.76	7.05	11.49	12.44
1,000-3,999	4.82	5.49	7.05	7.35	11.87	12.84
4,000-6,999	4.93	5.62	7.21	7.52	12.14	13.14
7,000-8,999	4.99	5.69	7.32	7.63	12.31	13.32
9,000 & Greater	5.08	5.79	7.51	7.83	12.59	13.62

Flat Rate Sewer Charge - \$75.00 per quarter

ACCOUNT MAINTENANCE FEES

APPROVED FOR IMPLEMENTATION JULY 1, 2010

<u>Meter Size</u>	<u>Current FY'10 Quarterly Charges</u>	<u>Approved FY'11 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'11 APPROVED FEES AND CHARGES

(Effective July 1, 2010)

APPROVED CHARGE**1. INSPECTION FEES**Water/Sewer Connection Hookup, Well/Septic Hookup,
Plumbing and Gasfitting Inspections

New Single Family Detached Dwellings	\$500
New Attached Dwellings (townhouse/multiplex excluding apartments)	500
All Other Residential:	
Water/Well Hookup	70
Meter Yoke Inspection (meter only installation)	70
Water Hookup Converting from Well (includes 2 inspections)	140
Sewer/Septic Hookup	70
First Plumbing Fixture	70
Each Additional Fixture	20
SDC Credit Fixture Inspection (per fixture)	15
Minimum Permit Fee	155
Permit Reprocessing Fee	45
All Non-Residential:	
Plan Review (without Permit Application)	
50 Fixtures or Less	325
51-200 Fixtures	1,110
Over 200 Fixtures	2,210
2 nd or 3 rd Review (with or without Permit Application)	
50 Fixtures or Less	130
51-200 Fixtures	250
Over 200 Fixtures	525
Water/Well Hookup	125
Meter Yoke Inspection (meter only installation)	125
Sewer/Septic Hookup	125
FOG Interceptor	125
First Plumbing Fixture	125
Each Additional Fixture	30
SDC Credit Fixture Inspection (per fixture)	15
Minimum Permit Fee	190
Permit Reprocessing Fee	45

FY'11 APPROVED FEES AND CHARGES

(Effective July 1, 2010)

APPROVED CHARGE**2. SITE UTILITY (ON-SITE) REVIEW FEE**

Basic Fee	\$2,700
Additional Fee per 100 feet	220
Re-Review Fee (per review)	1,170
Minor (Waived) Site Utility (On-Site) Fee	525
Minor (Waived) Site Utility (On-Site) Re-Review Fee (per review)	260

3. LICENSE FEES FOR THE REGULATED TRADES

Reciprocal Master Plumber, Gasfitter, Sewer Cleaner	
- Initial Registration per type	\$80/2 years
- Registration Renewal all types	80/2 years
- Late Registration Renewal	50
Examined	
- Master Plumber, Gasfitter, Sewer Cleaner	
- Initial Registration per type	105/4 years
- Registration Renewal all types	105/4 years
- Late Registration Renewal	50
- Cross-Connection Technician Registration	25
- 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

4. SHORT FORM PERMIT FEE (up to 3 fixtures)

\$55

5. FEE FOR SALE OF COPIES OF PLANS, PLATS & 200' REFERENCE MAPS

Xerographic	\$3.50/sheet
Sepia/Mylar	5.00/sheet

FY'11 APPROVED FEES AND CHARGES

(Effective July 1, 2010)

APPROVED CHARGE

6. FEE FOR SALE OF WSSC PLUMBING AND FUEL GAS CODE (PLUMBING CODE)

\$25/book

7. SEPTIC HAULER DISCHARGE PERMIT STICKER

CATEGORY I

Residential & Septic Waste & Grease

1 - 49 Gallons	\$140/vehicle
50 - 799 Gallons	2,060/vehicle
800 - 1,499 Gallons	5,610/vehicle
1,500 Gallons and Up	13,310/vehicle
January through June	50% of fee
Transfer and/or Replacement Permit Sticker	50
Industrial/Special Waste Disposal Fee	200/1,000 gallons
Zero Discharge Permit Fee	50

8. LONG FORM PERMIT TRANSFER FEE

\$105

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
1" Encoder	150
1-1/2"	550
2" Standard	830
3" Compound	2,500
4" Compound	3,200
6" Compound	5,050
2" MVR	975
3" MVR	1,550
4" MVR	2,225
6" MVR	3,475
2" Detector Check	1,200

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(Effective July 1, 2010)

	<u>APPROVED CHARGE</u>
4" Detector Check	3,000
6" Detector Check	3,300
8" Detector Check	4,000
10" Detector Check	5,300
12" Detector Check	7,800
4" FM w/2" MVR	6,550
6" FM w/3" MVR	7,350
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"	\$175
1-1/2"	300
2" and up	350
12. SUB-METER INSTALLATION FEES	
One-time Sub-Meter Charge - Small	\$210
One-time Sub-Meter Charge - Large	325
One-time Inspection Fee	50
Minimum Permit Inspection Fee	140
13. TAPPER LICENSE FEE	
Permit Fee	\$250
Duplicate Fee	20
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	300
3" Meter - Deposit	1,800
Service Charge	
2 Weeks or Less (3/4" meter)	30
2 Weeks or Less (3" meter)	120
Over 2 Weeks (3/4" and 3" meters)	120
Water Consumption Charge - 3/4" Meter	Current approved rate for 1,000 gallons ADC; \$30 minimum

FY'11 APPROVED FEES AND CHARGES

(Effective July 1, 2010)

	<u>APPROVED CHARGE</u>
Water Consumption Charge - 3" Meter	Current approved rate for 1,000 gallons ADC; \$180 minimum
Late Fee for Return of Meter	\$6/day
Fee on Unpaid Temporary Fire Hydrant Meter Billings	1½%/month
Loss/Destruction of Meter	Replacement Cost
Loss/Destruction of Wrench	35
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
Change in Applicant of Record	150
18. INDUSTRIAL DISCHARGE CONTROL PROGRAM FEES BY CATEGORY	
Industrial users subject to Categorical Pretreatment Standards (less than 5,000 gpd) (single visit)	\$2,875
Industrial users subject to Categorical Pretreatment Standards (greater than 5,000 gpd) (double visit)	4,400
Non-Discharging Categorical Industries (zero discharge)	775
Significant Industrial User (less than 25,000 gpd) (single visit – priority pollutant sampling)	2,875
Significant Industrial User (greater than 25,000 gpd) (double visit – priority pollutant sampling)	4,400
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

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	<u>APPROVED CHARGE</u>
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	
Annual Permit Fee	\$60
Daily Permit Fee	5
Annual Permit w/Boat Mooring Stake	135
 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)	\$85
 24. MISSED APPOINTMENT FEE	
First Missed Appointment or Turn-On	\$55
Each Additional Missed Appointment	80
 25. PATUXENT WATERSHED CIVIL CITATION FEE	
First offense	\$35
Each additional offense within calendar year	70
 26. CONNECTION REDEMPTION FEE	\$30
 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

FY'11 APPROVED FEES AND CHARGES

(Effective July 1, 2010)

APPROVED CHARGE

28. FIRE HYDRANT INSPECTION FEE	\$90/hydrant
Controlled Access Surcharge Fee	25
29. UTILITY EROSION AND SEDIMENT CONTROL PERMIT FEE	
Minor Projects	\$.12 per linear ft.
Major Projects	.15 per linear ft.
Minimum for Major Projects	110
30. EROSION AND SEDIMENT CONTROL TRAINING PACKAGE FEE	\$600/package
31. EROSION AND SEDIMENT CONTROL TRAINING CERTIFICATION SESSION FEE	\$40/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 (applies to all dishonored checks)	\$30
36. FIRE HYDRANT FLOW TEST FEE	
No Current Test	\$550
Current Test	75

FY'11 APPROVED FEES AND CHARGES

(Effective July 1, 2010)

	<u>APPROVED CHARGE</u>
37. FEE FOR SALE OF PROCUREMENT MANUAL	\$15
38. SHUT DOWN/CHARGE WATER MAIN FEE	\$750
Shut Down/Complex Water Main Fee	1,400
39. RIGHT-OF-WAY RELEASE REVIEW FEE	\$750/document
40. FEE FOR REVIEW AND INSPECTION OF SITE WORK POTENTIALLY IMPACTING WSSC PIPELINES	
Simple Review	\$225
Complex Review	1,500
Inspection	110/inspection
41. FEE FOR WSSC PIPELINE DESIGN MANUAL	\$90
42. CHLORINATION CONFIRMATION TEST FEE	\$150/first test
Re-Test or Additional Tests	150/hour
43. METER REINSTALLATION CORRECTION FEE	\$250
44. SEWER METER MAINTENANCE FEE	\$6,400/year
Quarterly Calibrations	1,880/year
45. DISCHARGE AUTHORIZATION PERMIT FEE	
Significant Industrial User – Initial Permit	\$3,250/4 years
Significant Industrial User – Renewal	1,600/4 years
Temporary Discharge Permit (Non – SIU)	3,250

FY'11 APPROVED FEES AND CHARGES

(Effective July 1, 2010)

APPROVED CHARGE

46. SALE OF WSSD LAWS	
Bound Volume	\$75
Supplements	35
47. SALE OF PLUMBING CLINIC VIDEO	\$16.95
48. PROPERTY INSPECTION FEE	\$65
49. DESIGN REVIEW	
Development is More than 10 Residential Units or Commercial	\$6,500
Development is 10 Residential Units or Less	3,250
50. CONSTRUCTION SERVICES FEE	12% of estimated construction costs less design review fee
Re-Test or Additional Tests	\$175/hour
51. SYSTEMS INSPECTION GROUP REVIEW FEE FOR ADDITIONAL REVIEWS OF CONTRACT DOCUMENTS AND AS-BUILTS	\$175/hour
52. EXTRA REVIEW FEE	
Additional Reviews of Unsigned Plans (per review)	\$2,000
Minor Revisions of Signed Plans (per review)	950
Major Revision/Splitting Signed Plans (per review)	2,000
53. RIGHT-OF-WAY ACQUISITION REIMBURSEMENT FOR SEP FEE	Actual
54. HYDRAULIC PLANNING ANALYSIS	
Water & Sewer Modeling	\$975
Water or Sewer Only Modeling	550
Development Parts Over 3	425/part
Pressure Sewer Review Fee (per system)	225
55. DATABASE SEARCH AND INITIAL ASSESSMENT FOR POSSIBLE CONTAMINATION	\$300

FY'11 APPROVED FEES AND CHARGES

(Effective July 1, 2010)

	<u>APPROVED CHARGE</u>
56. IN-HOUSE DESIGN DEPOSIT	Total estimated design costs
57. PARTIAL RELEASE	\$750
58. OFF-PROPERTY SERVICE CONNECTION REIMBURSEMENT	Prevailing service connection fee
59. REVISION TO PROJECT AMENDMENT FEE	\$325
60. SERVICE CONNECTION APPLICATION AND INSPECTION FEE (per permit)	\$1,750/water and/or sewer connection
61. FACILITIES DESIGN GUIDELINES FEE	\$30
62. RELOCATION DESIGN REVIEW FEE	\$6,500
63. DISCHARGE FEE – Food Service Establishment	\$325
64. LOBBYIST REGISTRATION FEE	\$100
65. FEASIBILITY REVIEW FEE FOR ON-SITE TAKEOVER PROJECTS	\$700
66. CREDIT CARD SURCHARGE (Applies to customer payment of any fee/charge by credit card (MasterCard and Visa) other than water and sewer billing.)	2% of amount charged
67. FEE FOR THE PREPARATION OF HOLD HARMLESS AGREEMENT	\$700
68. GOVERNMENT REFERRED PLAN REVIEW FEE Major Development – Over 10 Units Minor Development – 10 or Less Units	\$1,100 550
69. WAREHOUSE RESTOCKING FEE	\$25
70. RESIDENTIAL OUTSIDE METER HOUSING UPGRADE/PIPE ALTERATION	\$4,600
71. FEE FOR TRANSCRIBED TAPE OF A HEARING OR MEETING	Prevailing Fee Charged by Court Reporter

FY'11 APPROVED FEES AND CHARGES

(Effective July 1, 2010)

	<u>APPROVED CHARGE</u>
72. CHANGE FEE FOR OPEN HYDRAULIC PLANNING ANALYSIS & AMENDMENTS	
Basic (Both Water & Sewer)	\$300
Moderate (Both Water & Sewer)	1,000
Complex (Both Water & Sewer)	2,600
Basic (Water or Sewer Only)	150
Moderate (Water or Sewer Only)	500
Complex (Water or Sewer Only)	1,300
73. SUBMISSION FEE FOR DESIGN REVIEW	\$275
74. CROSS CONNECTION FEE	\$10

FY'11 APPROVED FEES AND CHARGES

(Effective July 1, 2010)

SYSTEM DEVELOPMENT CHARGE

	<u>APPROVED CHARGE EFFECTIVE JULY 1, 2010</u>	<u>MAXIMUM ALLOWABLE CHARGE</u>
75. System Development Charge		
Apartment		
Water	\$896	\$1,152
Sewer	1,140	1,467
1-2 toilets/residential		
Water	1,344	1,728
Sewer	1,710	2,197
3-4 toilets/residential		
Water	2,240	2,881
Sewer	2,850	3,663
5 toilets/residential		
Water	3,135	4,031
Sewer	3,991	5,132
6+ toilets/residential (per fixture unit)		
Water	88	113
Sewer	115	149
Non-residential (per fixture unit)		
Water	88	113
Sewer	115	149