

**COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND**  
**2016 Legislative Session**

Resolution No. CR-32-2016

Proposed by Council Member Davis

Introduced by Council Members Davis, Turner, Glaros, Franklin, and Taveras

Date of Introduction May 26, 2016

**RESOLUTION**

1 A RESOLUTION concerning

2 The approval of the Fiscal Year 2017 Operating and Capital Budgets of the Washington  
3 Suburban Sanitary Commission and the Recommendation of Water and Sewer Rates and  
4 Ad Valorem Tax Levies for Fiscal Year 2017

5 For the purpose of adopting the Fiscal Year 2017 Operating and Capital Budgets of the  
6 Washington Suburban Sanitary Commission and the recommended Water and Sewer Rates and  
7 Ad Valorem Tax Levies for Fiscal Year 2017.

8 WHEREAS, Section 17-202 of the Public Utilities Article, Annotated Code of Maryland  
9 establishes a procedure for the preparation, review and approval of the annual capital and  
10 operating budgets of the Washington Suburban Sanitary Commission, and further provides for  
11 recommendations by the Montgomery and Prince George's County Councils regarding the rates  
12 for water consumption and sewer usage charges and the ad valorem tax levies of the  
13 Commission; and

14 WHEREAS, on March 1, 2016, the Washington Suburban Sanitary Commission submitted  
15 to the County Executives of Montgomery and Prince George's Counties its proposed capital and  
16 operating budgets for Fiscal Year 2017; and

17 WHEREAS, the Commission forwarded to the County Executives of both Counties the  
18 record of the public hearings held by the Commission regarding its budget proposal; and

19 WHEREAS, the County Executives of Montgomery and Prince George's Counties  
20 transmitted their recommendations on the Commission's proposed budget, including the record  
21 of the public hearings held by the Commission, to the respective County Councils; and

22 WHEREAS, the Prince George's County Council, upon due public notice, held a public

1 hearing on the Commission's proposed budget on April 12, 2016, at which interested persons  
2 were given an opportunity to be heard by the Prince George's County Council; and

3 WHEREAS, the Prince George's County Council, following review of said budgets,  
4 approved, proposed additions to, deletions from, increases and decreases from items contained in  
5 the proposed budgets and transmitted these proposed changes to the Montgomery County  
6 Council by letter dated May 10, 2016; and

7 WHEREAS, the Prince George's County Council received on May 10, 2016, from the  
8 Montgomery County Council its approved proposed additions to, deletions from, and increases  
9 and decreases from items in the Commission's proposed budgets; and

10 WHEREAS, on May 12, 2016, the Montgomery and Prince George's County Councils  
11 jointly reviewed the respective proposed additions to, deletions from, and increases and  
12 decreases regarding items in said submitted capital and operating budgets and further considered  
13 all proposed changes.

14 NOW, THEREFORE, BE IT RESOLVED by the County Council of Prince George's  
15 County, Maryland, that the following amounts and positions, or as much thereof as may be  
16 necessary to accomplish the purposes designated, are hereby approved for the budget of the  
17 Washington Suburban Sanitary Commission for the fiscal year beginning July 1, 2016 and  
18 ending June 30, 2017:

	Operating	Capital
Salaries & Wages	\$ 114,718,000	\$ 28,667,000
Heat, Light & Power	23,581,000	0
Regional Sewage Disposal	54,501,000	0
Contract Work	0	442,324,000
Consulting Engineers	0	54,851,000
All Other Items	282,145,000	164,456,000
Debt Service	<u>261,437,000</u>	
Total	\$736,382,000	\$690,298,000

28 Work-years Authorized: 1,778.

29 BE IT FURTHER RESOLVED, that the Capital and Operating Budgets include the  
30 following changes to the proposed budgets recommended by the respective County Councils:

31 Reduce the rate supported amount allocated for compensation by \$2,100,304;

1 Decrease WSSC's proposed \$5.5 million for compensation to \$2.88 million with a 1.00 percent  
 2 cost of living adjustment (effective July 1, 2016) plus merit increases and include \$119,600 for  
 3 lump sum contractual payments for IT personnel in FY17;

4 Reduce revenue impact for the Customer Assistance Program in the amount of  
 5 (-\$856,000), based on latest projections;

6 Adjust the Blue Plains Regional Sewage Disposal costs to align with the latest  
 7 projections by (+\$2,900,000);

8 Remove 2 additional Permit Specialists positions (-\$103,300);

9 Approve additional 5 customer service positions to be filled after January 1, 2017, absorb  
 10 costs.;

11 BE IT FURTHER RESOLVED, that in implementing the above operating budget, the  
 12 Commission shall establish its work program priorities within the dollar and work-year levels  
 13 approved herein; and

14 BE IT FURTHER RESOLVED that the Commission is authorized to increase the water and  
 15 sewer operating reserve by \$6.5 million; and

16 BE IT FURTHER RESOLVED, that in adopting its Fiscal Year 2017 Operating Budget,  
 17 the Counties and the Commission recognize that although total operating debt service is  
 18 \$261,437,000 and equals 35.5% of the total operating budget, water and sewer operating debt  
 19 service, the portion of debt service supported by water and sewer rate revenues is \$243,808,000  
 20 or 34.0% of the water and sewer operating budget; and

21 BE IT FURTHER RESOLVED that the Prince George's County Council joins with the  
 22 Montgomery County Council in recommending to the Washington Suburban Sanitary  
 23 Commission the following:

- 24 1. Average rate increase for Water Consumption and Sewer Usage charge: 3.0%.
- 25 2. Infrastructure Investment Fees of additional \$2.00 Per Month for a residential  
 26 customer with a ¾ inch meter. Fee varies by meter size.
- 27 3. The Water and Sewer Usage charges will be based on a water production rate of  
 28 164.0 million gallons per day; and

29 BE IT FURTHER RESOLVED, that any supplements to the Washington Suburban  
 30 Sanitary Commission's Approved Fiscal Year 2017 budget shall be in accordance with the  
 31 provisions of Section 17-202 of the Public Utilities Article, Annotated Code of Maryland; and

1 BE IT FURTHER RESOLVED, that the Commission shall:

- 2 1. Obtain the approval of both County Councils before increasing operating
- 3 expenditures above \$736,382,000.
- 4 2. Obtain the County Councils’ approval prior to making any transfer of funds
- 5 from any of the approved expenditure categories within the operating and
- 6 capital budgets in excess of five percent (5%) of the approved amounts. The
- 7 amount approved for debt service is excluded from this transfer authority.
- 8 3. Furnish monthly status reports to each County Council and County Executive
- 9 as to the fiscal and budgetary activities of the Commission pursuant to the
- 10 Approved Operating and Capital Budgets, commencing with the end of the first
- 11 quarter of the fiscal year. These reports shall be submitted not more than 45
- 12 calendar days after the close of each month.

13 BE IT FURTHER RESOLVED, that the Approved Washington Suburban Sanitary  
 14 Commission FY 2017 Water and Sewer Rate Schedule (Appendix C), Account  
 15 Maintenance Fees and Charges (Appendix D), and Infrastructure Investment Fees  
 16 (Appendix E) are hereby approved, attached and incorporated by reference; and

17 BE IT FURTHER RESOLVED, that the Commission may find it necessary from time to  
 18 time or on an emergency basis to adopt further orders or resolutions in connection with its Fiscal  
 19 Year 2017 Budget and/or the water and sewer use rates to be effective July 1, 2016, pursuant to  
 20 its authority under the Laws of the Washington Suburban Sanitary District, Public Utilities  
 21 Article, Annotated Code of Maryland.

Adopted this 26<sup>th</sup> day of May, 2016.

COUNTY COUNCIL OF PRINCE  
GEORGE'S COUNTY, MARYLAND

BY: \_\_\_\_\_  
Derrick Leon Davis  
Chairman

ATTEST:

\_\_\_\_\_  
Redis C. Floyd  
Clerk of the Council

Note: See Appendices C, D, and E from the FY 2017 WSSC Approved Budget