

**COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND**  
**2015 Legislative Session**

Resolution No. CR-20-2015

Proposed by Council Member Mel Franklin

Introduced by Council Members Franklin, Davis and Turner

Date of Introduction May 28, 2015

**RESOLUTION**

1 A RESOLUTION concerning

2 The approval of the Fiscal Year 2016 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 2016

5 For the purpose of adopting the Fiscal Year 2016 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 2016.

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, 2015, 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 2016; 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 14, 2015, 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 5, 2015; and

7 WHEREAS, the Prince George's County Council received on May 5, 2015, 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 7, 2015, 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, 2015 and  
18 ending June 30, 2016:

	Operating	Capital
Salaries & Wages	\$ 111,964,000	\$ 26,503,000
Heat, Light & Power	23,353,000	0
Regional Sewage Disposal	54,895,000	0
Contract Work	0	421,992,000
Consulting Engineers	0	57,912,000
All Other Items	243,665,000	178,225,000
Contribution To Required Reserve	6,300,000	
PAYGO	19,686,000	
Debt Service	<u>255,310,000</u>	
Total	\$715,173,000	\$684,632,000

29 Work-years Authorized: 1,747.

30 BE IT FURTHER RESOLVED, that the Capital and Operating Budgets include the  
31

1 following changes to the proposed budgets recommended by the respective County Councils:

- 2 1. Allocated WSSC's proposed \$4.0 million for compensation in FY16 with a  
3 2.0% cost of living adjustment and 3.5% step increase for eligible employees  
4 (effective July 1, 2015).

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

8 BE IT FURTHER RESOLVED that the Commission is authorized to increase the water and  
9 sewer operating reserve by \$6.3 million; and

10 BE IT FURTHER RESOLVED, that in adopting its Fiscal Year 2016 Operating Budget,  
11 the Counties and the Commission recognize that although total operating debt service is  
12 \$255,310,000 and equals 35.7% of the total operating budget, water and sewer operating debt  
13 service, the portion of debt service supported by water and sewer rate revenues is \$235,574,000  
14 or 34.0% of the water and sewer operating budget; and

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

- 18 1. Average rate increase for Water Consumption and Sewer Usage charge: 1.0%.  
19 2. Infrastructure Investment Fees of \$2.00 Per Month for a residential customer  
20 with a ¾ inch meter. Fee varies by meter size.  
21 3. Increase Account Maintenance Fees by \$1.67 Per Month for a residential  
22 customer with a ¾ inch meter. Fee varies by meter size.  
23 4. The Water and Sewer Usage charges will be based on a water production rate of  
24 166.0 million gallons per day; and

25 BE IT FURTHER RESOLVED, that any supplements to the Washington Suburban  
26 Sanitary Commission's Approved Fiscal Year 2016 budget shall be in accordance with the  
27 provisions of Section 17-202 of the Public Utilities Article, Annotated Code of Maryland; and

28 BE IT FURTHER RESOLVED, that the Commission shall:

- 29 1. Obtain the approval of both County Councils before increasing operating  
30 expenditures above \$715,173,000.  
31 2. Obtain the County Councils' approval prior to making any transfer of funds  
32 from any of the approved expenditure categories within the operating and

1 capital budgets in excess of five percent (5%) of the approved amounts. The  
2 amount approved for debt service is excluded from this transfer authority.

- 3 3. Furnish monthly status reports to each County Council and County Executive  
4 as to the fiscal and budgetary activities of the Commission pursuant to the  
5 Approved Operating and Capital Budgets, commencing with the end of the first  
6 quarter of the fiscal year. These reports shall be submitted not more than 45  
7 calendar days after the close of each month.
- 8 4. Engage a consultant to assist with the performance of a Bench Mark Study to  
9 review services, programs, cost drivers and planning documents of the Commission  
10 as compared to industry best practices and applicable benchmarking metrics. This  
11 review will identify appropriate benchmarks for comparisons and conduct a review  
12 of the effectiveness and efficiency of the Commission’s activities. Both Councils  
13 will be briefed on the results of the study and will jointly determine whether to  
14 further study additional phases.

15 BE IT FURTHER RESOLVED, that the Approved Washington Suburban Sanitary  
16 Commission FY 2016 Water and Sewer Rate Schedule (Appendix C), Approved Fees  
17 and Charges (Appendix D), and System Development Charge (Appendix E) are hereby  
18 approved, attached and incorporated by reference; and

19 BE IT FURTHER RESOLVED, that the Commission may find it necessary from time to  
20 time or on an emergency basis to adopt further orders or resolutions in connection with its Fiscal  
21 Year 2016 Budget and/or the water and sewer use rates to be effective July 1, 2015, pursuant to  
22 its authority under the Laws of the Washington Suburban Sanitary District, Public Utilities  
23 Article, Annotated Code of Maryland.

Adopted this 28th day of May, 2015.

COUNTY COUNCIL OF PRINCE  
GEORGE'S COUNTY, MARYLAND

BY: \_\_\_\_\_  
Mel Franklin  
Chairman

ATTEST:

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Redis C. Floyd  
Clerk of the Council

Note: Appendices C, D, and E from the FY 2016 WSSC Approved Budget are available in hard copy only and as an Inclusion File in LIS