

WSSC's Multi-Year Financial Forecast : Combined Water/Sewer Operating Funds Summary
FY 2011 thru 2016 Forecast : Basecase with New & Expanded Programs

Estimated Revenues and Expenditures (\$1,000)

	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
	<u>Approved</u>	<u>Proposed</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>
Revenue							
1 Water & Sewer Rate Revenue	\$403,946	\$440,307	\$476,930	\$539,663	\$598,938	\$649,115	\$692,507
2 All Other Sources	81,768	65,102	62,065	62,487	61,936	61,669	61,001
3 Total Revenue	485,714	505,409	538,995	602,150	660,874	710,784	753,508
Expenses							
4 Maintenance & Operating	308,518	328,918	341,101	365,884	385,503	406,061	426,605
5 Regional Sewage Disposal	42,224	47,713	49,479	51,309	53,208	55,176	57,218
6 Debt Service	169,827	175,803	208,071	240,984	268,952	289,431	308,455
7 PAYGO	-	-	-	-	-	-	-
8 Additional Operating Reserve Contribution	1,500	1,500	1,500	1,500	1,500	1,500	1,500
9 Unspecified reductions	-	(13,302)	-	-	-	-	-
10 Total Expenses	\$522,069	\$540,632	\$600,150	\$659,677	\$709,163	\$752,168	\$793,777
11 Revenue Gap (Revenue - Expenses)	(36,355)	(35,222)	(61,155)	(57,527)	(48,289)	(41,384)	(40,269)
Water Production (MGD)	170.0	170.0	170.5	171.0	171.5	172.0	172.5
Debt Service Ratio (debt service / budget)	32.5%	32.5%	34.7%	36.5%	37.9%	38.5%	38.9%

	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Rate Increase	9.0%	8.0%	12.8%	10.7%	8.1%	6.4%	5.8%
Operating Budget	\$522,069	\$540,632	\$600,150	\$659,677	\$709,163	\$752,168	\$793,777
Debt Service Expense	169,827	175,803	208,071	240,984	268,952	289,431	308,455
New Debt	156,409	273,279	382,480	368,586	307,317	262,973	226,284

NOTE:
Impact of Rate Increase on Average Residential Monthly Bill

FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
\$4.96	\$4.45	\$7.85	\$7.36	\$6.16	\$5.27	\$5.11

WSSC's Multi-Year Financial Forecast : Combined Water/Sewer Operating Funds Summary
FY 2011 thru 2016 Forecast : Basecase with New & Expanded Programs

Estimated Revenues and Expenditures (\$1,000)

	FY 2010 Approved	FY 2011 Proposed	FY 2012 Estimate	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate	FY 2016 Estimate
Revenue							
1 Water / Sewer Use Charges	\$403,946	\$440,307	\$476,930	\$539,663	\$598,938	\$649,115	\$692,507
2 Interest Income	5,500	4,000	4,050	4,050	4,100	4,100	4,150
3 Account Maintenance Fee (Ready to Serve Charge)	22,850	22,850	22,900	22,900	22,950	22,950	23,000
4 Infrastructure Renewal Fee (Ready to Serve Charge)	-	-	-	-	-	-	-
5 Miscellaneous	19,217	21,154	21,822	22,345	22,958	22,952	23,123
6 Total Revenue	451,513	488,311	525,702	588,958	648,946	699,117	742,780
7 SDC Debt Service Offset	2,498	2,398	2,293	2,192	1,428	1,167	728
8 Reconstruction Debt Service Offset	11,500	11,500	11,000	11,000	10,500	10,500	10,000
9 Use of Fund Balance	20,203	3,200	0	0	0	-	-
10 Less Rate Stabilization	-	-	-	-	-	-	-
11 Adjustments to Total Revenue	34,201	17,098	13,293	13,192	11,928	11,667	10,728
12 Funds Available	485,714	505,409	538,995	602,150	660,874	710,784	753,508
Expenditures							
13 Salaries and Wages	90,879	92,697	98,962	103,911	109,107	114,563	120,292
14 Salaries and Wages based on Workyear Adjustment	-	1,552	-	-	-	-	-
15 Heat, Light and Power	28,422	28,422	29,231	30,748	32,344	34,027	35,803
16 All Other	189,217	206,247	226,210	244,527	257,354	270,773	283,812
17 All Other based on New & Expanded Programs	-	-	-	-	-	-	-
18 Reconstruction	-	-	-	-	-	-	-
19 Regional Sewage Disposal	42,224	47,713	49,479	51,309	53,208	55,176	57,218
20 Unspecified reductions	-	(13,302)	-	-	-	-	-
21 Unspecified reduction of future year's expenditure base	-	-	(13,302)	(13,302)	(13,302)	(13,302)	(13,302)
22 Additional Operating Reserve Contribution	1,500	1,500	1,500	1,500	1,500	1,500	1,500
23 Total Operating Expenses	352,242	364,829	392,079	418,694	440,211	462,737	485,322
24 Debt Service	169,827	175,803	208,071	240,984	268,952	289,431	308,455
25 Debt Reduction (PAYGO)	-	-	-	-	-	-	-
26 Total Financial Expenses	169,827	175,803	208,071	240,984	268,952	289,431	308,455
27 Total Expenditures	522,069	540,632	600,150	659,677	709,163	752,168	793,777
28 Revenue - Expenditure Gap before rate increase	(36,355)	(35,223)	(61,155)	(57,527)	(48,289)	(41,384)	(40,269)
29 Rate Increase	9.0%	8.0%	12.8%	10.7%	8.1%	6.4%	5.8%

WSSC's Multi-Year Financial Forecast : Combined Water/Sewer Operating Funds Summary

FY 2011 thru 2016 Forecast : Basecase - No New & Expanded Programs

Estimated Revenues and Expenditures (\$1,000)

	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
	Approved	Proposed	Estimate	Estimate	Estimate	Estimate	Estimate
Revenue							
1 Water & Sewer Rate Revenue	\$403,946	\$440,307	\$477,471	\$540,017	\$599,069	\$648,990	\$691,612
2 All Other Sources	81,768	64,629	61,119	61,068	60,044	59,777	59,109
3 Total Revenue	485,714	504,936	538,590	601,085	659,113	708,767	750,721
Expenses							
4 Maintenance & Operating	308,518	315,683	340,507	364,596	383,486	403,277	423,017
5 Regional Sewage Disposal	42,224	47,713	49,479	51,309	53,208	55,176	57,218
6 Debt Service	169,827	175,803	208,071	240,984	268,952	289,431	308,455
7 PAYGO	-	-	-	-	-	-	-
8 Additional Operating Reserve Contribution	1,500	1,500	1,500	1,500	1,500	1,500	1,500
9 Unspecified reductions	-	-	-	-	-	-	-
10 Total Expenses	\$522,069	\$540,699	\$599,556	\$658,389	\$707,146	\$749,384	\$790,190
11 Revenue Gap (Revenue - Expenses)	(36,355)	(35,763)	(60,966)	(57,304)	(48,033)	(40,617)	(39,469)

Water Production (MGD)

12 Debt Service Ratio (debt service / budget)	170.0	170.0	170.5	171.0	171.5	172.0	172.5
	32.5%	32.5%	34.7%	36.6%	38.0%	38.6%	39.0%

	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
13 Rate Increase	9.0%	8.1%	12.8%	10.6%	8.0%	6.3%	5.7%
14 Operating Budget	\$522,069	\$540,699	\$599,556	\$658,389	\$707,146	\$749,384	\$790,190
15 Debt Service Expense	169,827	175,803	208,071	240,984	268,952	289,431	308,455
16 New Debt	156,409	273,279	382,480	368,586	307,317	262,973	226,284

NOTE:

Impact of Rate Increase on Average Residential Monthly Bill

FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
\$4.96	\$4.52	\$7.83	\$7.34	\$6.13	\$5.17	\$5.01

WSSC's Multi-Year Financial Forecast : Combined Water/Sewer Operating Funds Summary

FY 2011 thru 2016 Forecast : Basecase - No New & Expanded Programs

Estimated Revenues and Expenditures (\$1,000)

	FY 2010 Approved	FY 2011 Proposed	FY 2012 Estimate	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate	FY 2016 Estimate
Revenue							
1 Water / Sewer Use Charges	\$403,946	\$440,307	\$477,471	\$540,017	\$599,069	\$648,990	\$691,612
2 Interest Income	5,500	4,000	4,050	4,050	4,100	4,100	4,150
3 Account Maintenance Fee (Ready to Serve Charge)	22,850	22,850	22,900	22,900	22,950	22,950	23,000
4 Infrastructure Renewal Fee (Ready to Serve Charge)	-	-	-	-	-	-	-
5 Miscellaneous	19,217	20,681	20,876	20,926	21,066	21,060	21,231
6 Total Revenue	451,513	487,838	525,297	587,893	647,185	697,100	739,993
7 SDC Debt Service Offset	2,498	2,398	2,293	2,192	1,428	1,167	728
8 Reconstruction Debt Service Offset	11,500	11,500	11,000	11,000	10,500	10,500	10,000
9 Use of Fund Balance	20,203	3,200	0	0	0	-	-
10 Less Rate Stabilization	-	-	-	-	-	-	-
11 Adjustments to Total Revenue	34,201	17,098	13,293	13,192	11,928	11,667	10,728
12 Funds Available	485,714	504,936	538,590	601,085	659,113	708,767	750,721
Expenditures							
13 Salaries and Wages	90,879	92,697	97,333	102,201	107,312	112,678	118,313
14 Salaries and Wages based on Workyear Adjustment	-	-	-	-	-	-	-
15 Heat, Light and Power	28,422	28,422	29,231	30,748	32,344	34,027	35,803
16 All Other	189,217	194,564	213,943	231,647	243,830	256,572	268,901
17 All Other based on New & Expanded Programs	-	-	-	-	-	-	-
18 Reconstruction	-	-	-	-	-	-	-
19 Regional Sewage Disposal	42,224	47,713	49,479	51,309	53,208	55,176	57,218
20 Unspecified reductions	-	-	-	-	-	-	-
21 Unspecified reduction of future year's expenditure base	-	-	-	-	-	-	-
22 Additional Operating Reserve Contribution	1,500	1,500	1,500	1,500	1,500	1,500	1,500
23 Total Operating Expenses	352,242	364,896	391,485	417,405	438,194	459,954	481,735
24 Debt Service	169,827	175,803	208,071	240,984	268,952	289,431	308,455
25 Debt Reduction (PAYGO)	-	-	-	-	-	-	-
26 Total Financial Expenses	169,827	175,803	208,071	240,984	268,952	289,431	308,455
27 Total Expenditures	522,069	540,699	599,556	658,389	707,146	749,384	790,190
28 Revenue - Expenditure Gap before rate increase	(36,355)	(35,763)	(60,966)	(57,304)	(48,033)	(40,617)	(39,469)
29 Rate Increase	9.0%	8.1%	12.8%	10.6%	8.0%	6.3%	5.7%

WSSC's Multi-Year Financial Forecast : Combined Water/Sewer Operating Funds Summary
FY 2011 thru 2016 Forecast : Basecase with Mandatory New & Expanded Programs

Estimated Revenues and Expenditures (\$1,000)

	FY 2010 <u>Approved</u>	FY 2011 <u>Proposed</u>	FY 2012 <u>Estimate</u>	FY 2013 <u>Estimate</u>	FY 2014 <u>Estimate</u>	FY 2015 <u>Estimate</u>	FY 2016 <u>Estimate</u>
Revenue							
1 Water & Sewer Rate Revenue	\$403,946	\$440,307	\$486,350	\$548,890	\$607,958	\$657,919	\$701,083
2 All Other Sources	81,768	65,102	62,065	62,487	61,936	61,669	61,001
3 Total Revenue	485,714	505,409	548,415	611,377	669,894	719,588	762,084
Expenses							
4 Maintenance & Operating	308,518	325,009	350,299	374,878	394,281	414,612	434,919
5 Regional Sewage Disposal	42,224	47,713	49,479	51,309	53,208	55,176	57,218
6 Debt Service	169,827	175,803	208,071	240,984	268,952	289,431	308,455
7 PAYGO	-	-	-	-	-	-	-
8 Additional Operating Reserve Contribution	1,500	1,500	1,500	1,500	1,500	1,500	1,500
9 Unspecified reductions	-	-	-	-	-	-	-
10 Total Expenses	\$522,069	\$550,025	\$609,348	\$668,671	\$717,941	\$760,719	\$802,092
11 Revenue Gap (Revenue - Expenses)	(36,355)	(44,616)	(60,933)	(57,294)	(48,047)	(41,131)	(40,008)
Water Production (MGD)	170.0	170.0	170.5	171.0	171.5	172.0	172.5
Debt Service Ratio (debt service / budget)	32.5%	32.0%	34.1%	36.0%	37.5%	38.0%	38.5%

	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Rate Increase	9.0%	10.1%	12.5%	10.4%	7.9%	6.3%	5.7%
Operating Budget	\$522,069	\$550,025	\$609,348	\$668,671	\$717,941	\$760,719	\$802,092
Debt Service Expense	169,827	175,803	208,071	240,984	268,952	289,431	308,455
New Debt	156,409	273,279	382,480	368,586	307,317	262,973	226,284

NOTE:
Impact of Rate Increase on Average Residential Monthly Bill

	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
	\$4.96	\$5.66	\$7.82	\$7.33	\$6.13	\$5.23	\$5.08

WSSC's Multi-Year Financial Forecast : Combined Water/Sewer Operating Funds Summary
FY 2011 thru 2016 Forecast : Basecase with Mandatory New & Expanded Programs

Estimated Revenues and Expenditures (\$1,000)

	FY 2010 Approved	FY 2011 Proposed	FY 2012 Estimate	FY 2013 Estimate	FY 2014 Estimate	FY 2015 Estimate	FY 2016 Estimate
Revenue							
1 Water / Sewer Use Charges	\$403,946	\$440,307	\$486,350	\$548,890	\$607,958	\$657,919	\$701,083
2 Interest Income	5,500	4,000	4,050	4,050	4,100	4,100	4,150
3 Account Maintenance Fee (Ready to Serve Charge)	22,850	22,850	22,900	22,900	22,950	22,950	23,000
4 Infrastructure Renewal Fee (Ready to Serve Charge)	-	-	-	-	-	-	-
5 Miscellaneous	19,217	21,154	21,822	22,345	22,958	22,952	23,123
6 Total Revenue	451,513	488,311	535,122	598,185	657,966	707,921	751,356
7 SDC Debt Service Offset	2,498	2,398	2,293	2,192	1,428	1,167	728
8 Reconstruction Debt Service Offset	11,500	11,500	11,000	11,000	10,500	10,500	10,000
9 Use of Fund Balance	20,203	3,200	0	0	0	-	-
10 Less Rate Stabilization	-	-	-	-	-	-	-
11 Adjustments to Total Revenue	34,201	17,098	13,293	13,192	11,928	11,667	10,728
12 Funds Available	485,714	505,409	548,415	611,377	669,894	719,588	762,084
Expenditures							
13 Salaries and Wages	90,879	92,697	97,627	102,509	107,635	113,017	118,669
14 Salaries and Wages based on Workyear Adjustment	-	280	-	-	-	-	-
15 Heat, Light and Power	28,422	28,422	29,231	30,748	32,344	34,027	35,803
16 All Other	189,217	203,610	223,441	241,621	254,302	267,568	280,447
17 All Other based on New & Expanded Programs	-	-	-	-	-	-	-
18 Reconstruction	-	-	-	-	-	-	-
19 Regional Sewage Disposal	42,224	47,713	49,479	51,309	53,208	55,176	57,218
20 Unspecified reductions	-	-	-	-	-	-	-
21 Unspecified reduction of future year's expenditure base	-	-	-	-	-	-	-
22 Additional Operating Reserve Contribution	1,500	1,500	1,500	1,500	1,500	1,500	1,500
23 Total Operating Expenses	352,242	374,223	401,278	427,687	448,989	471,289	493,637
24 Debt Service	169,827	175,803	208,071	240,984	268,952	289,431	308,455
25 Debt Reduction (PAYGO)	-	-	-	-	-	-	-
26 Total Financial Expenses	169,827	175,803	208,071	240,984	268,952	289,431	308,455
27 Total Expenditures	522,069	550,025	609,348	668,671	717,941	760,719	802,092
28 Revenue - Expenditure Gap before rate increase	(36,355)	(44,616)	(60,933)	(57,294)	(48,047)	(41,131)	(40,008)
29 Rate Increase	9.0%	10.1%	12.5%	10.4%	7.9%	6.3%	5.7%

WSSC's Multi-Year Financial Forecast : Combined Water/Sewer Operating Funds Summary

FY 2011 thru 2016 Forecast : Basecase with New & Expanded Programs

Estimated Revenues and Expenditures (\$1,000)

	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
	Approved	Proposed	Estimate	Estimate	Estimate	Estimate	Estimate
Revenue							
1 Water & Sewer Rate Revenue	\$403,946	\$440,307	\$490,270	\$553,005	\$612,278	\$662,455	\$705,847
2 All Other Sources	81,768	65,102	62,065	62,487	61,936	61,669	61,001
3 Total Revenue	485,714	505,409	552,335	615,492	674,214	724,124	766,848
Expenses							
4 Maintenance & Operating	308,518	328,918	354,403	379,186	398,805	419,363	439,907
5 Regional Sewage Disposal	42,224	47,713	49,479	51,309	53,208	55,176	57,218
6 Debt Service	169,827	175,803	208,071	240,984	268,952	289,431	308,455
7 PAYGO	-	-	-	-	-	-	-
8 Additional Operating Reserve Contribution	1,500	1,500	1,500	1,500	1,500	1,500	1,500
9 Unspecified reductions	-	-	-	-	-	-	-
10 Total Expenses	\$522,069	\$553,934	\$613,452	\$672,979	\$722,465	\$765,470	\$807,079
11 Revenue Gap (Revenue - Expenses)	(36,355)	(48,524)	(61,117)	(57,487)	(48,251)	(41,346)	(40,231)
Water Production (MGD)	170.0	170.0	170.5	171.0	171.5	172.0	172.5
Debt Service Ratio (debt service / budget)	32.5%	31.7%	33.9%	35.8%	37.2%	37.8%	38.2%

	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Rate Increase	9.0%	11.0%	12.5%	10.4%	7.9%	6.2%	5.7%
Operating Budget	\$522,069	\$553,934	\$613,452	\$672,979	\$722,465	\$765,470	\$807,079
Debt Service Expense	169,827	175,803	208,071	240,984	268,952	289,431	308,455
New Debt	156,409	273,279	382,480	368,586	307,317	262,973	226,284

NOTE:

Impact of Rate Increase on Average Residential Monthly Bill

	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
	\$4.96	\$6.17	\$7.85	\$7.36	\$6.16	\$5.26	\$5.11

WSSC's Multi-Year Financial Forecast : Combined Water/Sewer Operating Funds Summar
FY 2011 thru 2016 Forecast : Basecase with New & Expanded Programs

Estimated Revenues and Expenditures (\$1,000)

	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
	<u>Approved</u>	<u>Proposed</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>
Revenue							
1 Water / Sewer Use Charges	\$403,946	\$440,307	\$490,270	\$553,005	\$612,278	\$662,455	\$705,847
2 Interest Income	5,500	4,000	4,050	4,050	4,100	4,100	4,150
3 Account Maintenance Fee (Ready to Serve Charge)	22,850	22,850	22,900	22,900	22,950	22,950	23,000
4 Infrastructure Renewal Fee (Ready to Serve Charge)	-	-	-	-	-	-	-
5 Miscellaneous	19,217	21,154	21,822	22,345	22,958	22,952	23,123
6 Total Revenue	451,513	488,311	539,042	602,300	662,286	712,457	756,120
7 SDC Debt Service Offset	2,498	2,398	2,293	2,192	1,428	1,167	728
8 Reconstruction Debt Service Offset	11,500	11,500	11,000	11,000	10,500	10,500	10,000
9 Use of Fund Balance	20,203	3,200	0	0	0	-	-
10 Less Rate Stabilization	-	-	-	-	-	-	-
11 Adjustments to Total Revenue	34,201	17,098	13,293	13,192	11,928	11,667	10,728
12 Funds Available	485,714	505,409	552,335	615,492	674,214	724,124	766,848
Expenditures							
13 Salaries and Wages	90,879	92,697	98,962	103,911	109,107	114,563	120,292
14 Salaries and Wages based on Workyear Adjustment	-	1,552	-	-	-	-	-
15 Heat, Light and Power	28,422	28,422	29,231	30,748	32,344	34,027	35,803
16 All Other	189,217	206,247	226,210	244,527	257,354	270,773	283,812
17 All Other based on New & Expanded Programs	-	-	-	-	-	-	-
18 Reconstruction	-	-	-	-	-	-	-
19 Regional Sewage Disposal	42,224	47,713	49,479	51,309	53,208	55,176	57,218
20 Unspecified reductions	-	-	-	-	-	-	-
21 Unspecified reduction of future year's expenditure base	-	-	-	-	-	-	-
22 Additional Operating Reserve Contribution	1,500	1,500	1,500	1,500	1,500	1,500	1,500
23 Total Operating Expenses	352,242	378,131	405,381	431,996	453,513	476,039	498,624
24 Debt Service	169,827	175,803	208,071	240,984	268,952	289,431	308,455
25 Debt Reduction (PAYGO)	-	-	-	-	-	-	-
26 Total Financial Expenses	169,827	175,803	208,071	240,984	268,952	289,431	308,455
27 Total Expenditures	522,069	553,934	613,452	672,979	722,465	765,470	807,079
28 Revenue - Expenditure Gap before rate increase	(36,355)	(48,525)	(61,117)	(57,487)	(48,251)	(41,346)	(40,231)
29 Rate Increase	9.0%	11.0%	12.5%	10.4%	7.9%	6.2%	5.7%

Water & Sewer Capital and Bond Funds Summary - Report
WSSC Multi-Year Financial Forecast (Spending Affordability -- Basecase with New & Expanded Programs): Fiscal Years 2011 thru 2016
 Estimated Expenditures and Funding (\$1,000)

	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
	<u>Approved</u>	<u>Proposed</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>
Capital Expenditures							
1 CIP Water & Sewer Projects	\$ 214,431	\$ 311,756	\$ 504,077	\$ 417,905	\$ 265,180	\$ 139,614	\$ 80,839
2 Dependent CIP, EPP & ESP Projects	11,533	18,693	21,338	33,349	24,342	15,808	14,829
3 Additional High Probability Future CIP Projects	-	-	-	-	-	-	-
4 Total - Capital Expenditures (excluding Reconstruction)	225,964	330,449	525,415	451,254	289,522	155,422	95,668
5 SAG Unspecified Capital Reduction Adjustments	-	-	-	-	-	-	-
6 Total - Capital Expenditures - less Unspecified SAG Spending Reductions	225,964	330,449	525,415	451,254	289,522	155,422	95,668
7 Capital Expenditures - adjusted by SAG Spending Reduct, Comp & Inflation Factors	\$ 180,772	\$ 264,361	\$ 432,944	\$ 382,990	\$ 253,097	\$ 139,945	\$ 88,726

Water & Sewer Capital Expenditures

1 Capital Expenditures - adjusted by Completion & Inflation Factors	\$ 180,772	\$ 264,361	\$ 432,944	\$ 382,990	\$ 253,097	\$ 139,945	\$ 88,726
2 Water Reconstruction	50,634	64,485	75,361	86,834	98,924	111,664	125,078
Sewer Reconstruction	56,807	69,445	58,023	54,753	55,467	57,132	58,845
3 Energy Performance & Entrep. Programs	7,230	10,252	13,799	9,724	10,170	5,000	5,000
4 Total Capital Funding Required	295,443	408,543	580,127	534,301	417,658	313,741	277,649

Funding

5 Bond Issues	156,409	273,279	382,480	368,586	307,317	262,973	226,284
6 Previous Year's Funds Available after Construction	20,115	2	2	2	2	2	2
7 System Development Charges (incl. SAG, Completion & Inflation Index Factors)	56,257	56,186	66,552	64,409	24,400	1,061	563
8 PAYGO	-	-	-	-	-	-	-
9 Grants - Federal & State (incl. ENR Grants)	42,608	52,077	102,635	76,655	66,423	33,364	37,359
10 Developers and Government Contrib. (incl. scaling, completion & inflation index factors)	11,823	12,616	8,328	5,251	3,343	2,501	1,532
11 Other (Notes)	8,233	14,385	20,132	19,400	16,175	13,842	11,911
12 Funds Available	295,445	408,545	580,129	534,303	417,660	313,743	277,651
13 Funds Available after Construction	2	2	2	2	2	2	2

Mandated New & Expanded Programs

Consent Decree

Sewer System Evaluation Survey (\$1,000,000)
Consent Decree Consultant Services (\$1,000,000)
Design for ROW Clearing (\$3,600,000 - \$3,060,000 W/S)
Chemical Root Control (\$400,000)
Pipe Armoring (\$3,400,000 - \$2,720,000 W/S)

Cross Connection Program (self-supporting through fees)

3 Plumbing Inspectors (\$235,300)
2 Inspection Support Aides (\$104,650)

SLMBE

Disparity Study (\$650,000 - \$526,500 W/S)

In order to have an MBE program, we must have a factual predicate to base it on and this study will provide that.

FY'11 New & Expanded by Priority

<u>ORGANIZATION</u>	<u>REQUEST</u>	<u>COST</u>	<u>WATER & SEWER RATE IMPACT</u>
<u>IMPORTANT:</u>			
Industrial Assets Mgmt	1.0 Wastewater Facility Asset Strategy Manager	89,440	89,440
Industrial Assets Mgmt	1.0 Water Facility Asset Strategy Manager	89,440	89,440
Industrial Assets Mgmt	1.0 Asset Management Business Improvement Manager	89,440	89,440
Development Services	Water & Sewer Hydraulic Modeling Tool	375,000	375,000
Property Management	1.0 Sr. Mechanic HVAC Engineer	109,070	109,070
Seneca/Demacus/Hyattstown	1.0 Facility Technician	65,520	65,520
Technical Services	0.0 Sr. Facility Estimator	95,550	95,550
Internal Audit	1.0 Ethics Officer (part-time 50%)	72,410	56,652
	Total New & Expanded - Important	\$ 985,870	\$ 970,112
<u>SIGNIFICANT:</u>			
Industrial Assets Mgmt	1.0 Lead Instrumentation/Electronics Technician	65,520	65,520
Development Services	Water & Sewer Hydraulic Modeling Tool	207,000	207,000
Systems Infrastructure	Corrosion Monitoring Program	250,000	250,000
Systems Infrastructure	1.0 Sr. Corrosion Engineer	89,440	89,440
Technical Services	0.0 Sr. Electrical Engineer	95,550	95,550
Technical Services	0.0 Principal Geotech Engineer	102,180	102,180
Technical Services	1.0 Engineering Assistant IV	69,290	29,290
	Total New & Expanded - Significant	\$ 878,980	\$ 838,980
<u>CRITICAL:</u>			
Potomac Group	1.0 E/M Technician	69,420	69,420
Potomac Group	1.0 Sr. Water Plant Operator	65,520	65,520
Potomac Group	1.0 Water Plant Operator	49,400	49,400
Support Services	Meter Reading Handheld Upgrade	29,517	29,517
Customer Care Team Office	Valve Exercising & Inspection	1,000,000	1,000,000
Development Services	Water & Sewer Hydraulic Modeling Tool	582,000	582,000
	Total New & Expanded - Critical	\$ 1,795,857	\$ 1,795,857
	Total Operating New & Expanded Programs	\$ 3,660,707	\$ 3,604,949
<u>CAPITAL:</u>			
Support Services	38 SEU Expansion	9,000,000	-
Project Delivery	1.0 Administrative Assistant II	61,880	-
Project Delivery	1.0 Facilities Inspector II	73,580	-
Project Delivery	2.0 Project Managers	204,230	-
Systems Inspection	4.0 Contract Managers	357,630	-
Systems Inspection	21 Contract Construction Inspectors & 2 Contract Restor Inspectors	2,304,000	-
Technical Services	1.0 Surveys Party Chief	69,290	-
Systems Infrastructure	Project coordination software for water reconstruction program	100,000	-
Wastewater Collections	Design for Sewer Reconstruction Program	4,000,000	-
	Total Capital New & Expanded	\$ 16,170,610	\$ -

FY'11 Potential Budget Reductions

Priority	Team	Organization & Community Relations	Account	Proposed Reduction	Water/Sewer Impact	Discussion
A	Staff Offices	Communications & Community Relations	8	\$ 7,500	5,978	This is money for the Council of Governments "Water Use It Wisely" campaign. WSSC is by far the largest water/wastewater utility on this committee. In addition, this is an involvement that WSSC re-instituted 3 years ago as part of building relationships. Our staff has been instrumental in steering the "Use It Wisely" Campaign to focus more on infrastructure and "Can the Grease". COG is about to launch a major new campaign. It is conceivable that COG would take less than the \$7,500. In either case, this could affect our relationship with COG.
A	Staff Offices	Human Resources Office	82	50,000	39,850	Reduction in courses by offering fewer non-required (licensing, re-licensing, certifications) courses; streamlining current usage; move in-house courses, elimination of travel to attend non-required training
A	Staff Offices	Internal Audit	1	\$ 72,410	56,652	N&E - Ethics Officer
A	Staff Offices	General Counsel's Office	17	\$ 9,000	7,173	Limit appraisals of surplus property
A	Production	Operations Support Group	5	\$ (474,000)	(474,000)	Sell 28,000 RECs
A	Production	Operations Support Group	4	\$ 3,600	3,600	10% reduction in material purchases
A	Production	Operations Support Group	8	\$ 2,500	2,500	25% reduction professional organizations support of industry initiatives of various organizations (e.g., WERF, AWWARF, AWWA, WEF, CWEA, CSA WWA, etc.).
A	Production	Industrial Assets Management Group	1	\$ 268,320	268,320	N&E 3WY: Asset Strategy Managers to support UMP
A	Production	Seneca/Damascus/Hyattstown Group	1	\$ 65,520	65,520	N&E - 1 WY to provide for the safe and adequate staffing level at Damascus/Hyattstown. This position was initially endorsed as part of the FY-10 N&E.
A	Logistics	Property Management	1	\$ 109,070	109,070	N&E - Sr. HVAC Engineer
A	Engineering and Construction	Environmental	41	\$ 2,200	2,142	This is needed to attend a critical meeting for the framework study associated with issues on emerging contaminants. Deletion would mean we could not influence the study as it relates to WSSC issues/case study.
A	Engineering and Construction	Environmental	43	\$ 115,000	112,700	This is our subscription to WRF. Its deletion would deprive us from access to this utility-supported knowledge center and its research products.
A	Engineering and Construction	Planning	8	\$ 100,000	100,000	Reduce budget for Council of Government (COG) Inter-municipal Agreement and Regional Water Fund (RWF) support from \$1,000,000 to \$900,000.
A	Engineering and Construction	Planning	15	\$ 375,000	375,000	N&E- Reduce funding for Expanded DSG Modeling Services and data manipulation from the original \$750,000 to \$375,000. This would retain 50% of funding for FY2011 and delay 50% of our request to FY2012. This reduction would delay the conceptual plans to upgrade the current DSG hydraulic water modeling data for DSG work. DSG will have to delay the implementation of at least one of the new hydraulic modeling tools and will not be able to maximize efficiency improvements possible from data that works within the ArcGIS based technologies. Delay of funding for these services could also negatively impact the plans for a cohesive modeling system that works within the proposed WSSC Oracle/GIS system.
A	Engineering and Construction	Process Control	7	\$ 1,000	1,000	Cuts rental equipment.
A	Engineering and Construction	Process Control	54	\$ 1,000	1,000	Cuts back on safety equipment until FY 12
A	Engineering and Construction	Regulatory Services	81	\$ 3,000	3,000	Participate in conferences and workshops to keep abreast of the most up-to-date federal and State pretreatment and FOG requirements.

FY'11 Potential Budget Reductions

Priority	Team	Organization	Account	Proposed Reduction	Water/Sewer Impact	Discussion
A	Engineering and Construction	Technical Services	1	\$ 95,550	\$ 95,550	N&E - Sr. Facility Estimator. Continue to use consultants for cost estimates, scheduling, claim analysis and assessment of construction efficiencies.
A	Customer Care	Customer Relations	3	\$ 1,000	\$ 1,000	Little to no impact is expected.
A	IT Team	Enterprise Technology Solutions Division	40	\$ 50,000	\$ 41,000	Document & Records Mgmt. Reduced scope of project.
A	IT Team	Enterprise Technology Solutions Division	40	\$ 50,000	\$ 41,000	wsswater.com Enhancements. Reduced scope of project.
Priority A Total				\$ 907,670	\$ 858,055	
B	Staff Offices	Communications & Community Relations	18	\$ 1,000	\$ 797	Increased usage of COMMS vehicles and WSSC pool cars for travel to and from community outreach events.
B	Staff Offices	General Counsel's Office	1	\$ 32,600	\$ 25,982	Eliminate one Admin Assistant I
B	Staff Offices	General Counsel's Office	14	\$ 7,500	\$ 5,978	Constrain basic GCO functions
B	Production	Industrial Assets Management Group	1	\$ 65,520	\$ 65,520	N&E 1WY: Lead Instrumentation Tech. Reducing overtime at Western Branch by 10% can be accomplished by maintaining our current shift work schedule as we commission our new Incinerators. OT in the Production Team means ensuring that the plants meet their respective State permits and for the wastewater plants it can also mean minimizing SSOs.
B	Production	Western Branch	02	\$ 13,000	\$ 13,000	Defer replacing piston PRVs with more reliable and more maintenance free diaphragm valves.
B	Production	Systems Control Group	4	\$ 50,000	\$ 50,000	25% reduction in Biosolids Research. This would harm the U of Maryland research program as well as the Biosolids community in forging researching solutions to new problems and also hurt our Public Relations potential.
B	Production	Operations Support Group	8	\$ 35,000	\$ 35,000	10% reduction in Safety supply purchases
B	Production	Operations Support Group	54	\$ 1,500	\$ 1,500	15% reduction in services by others will result in some deferred maintenance
B	Logistics	Fleet Services	8	\$ 123,700	\$ 106,753	Defer all replacement equipment for one year - will result in increased maintenance costs and will impact FY'12
B	Logistics	Fleet Services	15321	\$ 1,211,873	\$ 75,742	Defer all replacement vehicles for one year - will result in increased maintenance costs and will impact FY'12
B	Logistics	Fleet Services	15322	\$ 4,742,777	\$ 395,231	Eliminate purchase of all non-depreciable furniture for one year - will result in increased maintenance costs and will impact FY'12
B	Logistics	Materials & Services	85	\$ 95,500	\$ 77,355	Eliminate purchase of all depreciable furniture and equipment for one year - will result in increased maintenance costs and will impact FY'12
B	Logistics	Materials & Services	15323	\$ 228,500	\$ 13,441	Reduce the annual security contract budget. This will result in less security coverage.
B	Logistics	Security & Safety Services	8	\$ 500,000	\$ 405,000	Defer non-critical facility painting for one year.
B	Logistics	Property Management	8	\$ 250,000	\$ 250,000	Reduction will limit our ability to address technical and regulatory issues that we may face, including the updating of our Pollution Prevention Plan required by MDE permit.
B	Engineering and Construction	Environmental	15	\$ 60,000	\$ 60,000	
B	Engineering and Construction	Infrastructure - Systems	15	\$ 250,000	\$ 250,000	N&E - Corrosion Program - The program would remain at a grossly under funded level, and prevent more in-depth investigations into corrosive activities; We would not be able to maintain the existing monitoring test stations in the system; ability to perform early detection of problem areas would be lessened; and there would be an increased risk in DIP and Steel transmission main failures.
B	Engineering and Construction	Infrastructure - Systems	1	\$ 89,440	\$ 89,440	N&E - Sr. Corrosion Engineer

FY'11 Potential Budget Reductions

Priority	Team	Organization	Account	Proposed Reduction	Water/Sewer Impact	Discussion
B	Engineering and Construction	Planning	8	\$ 30,000	\$ 30,000	Further reduce budget for Council of Government (COG) Inter-municipal Agreement and Regional Water Fund (RWF) support from \$900,000 to \$870,000. A budget reallocation would be required if COG budgets come in over this. We have some control over BPRC budget, but very little over RWF budget. Although I expect COG to be under pressure from all jurisdictions to keep costs down.
B	Engineering and Construction	Planning	15	\$ 100,000	\$ 100,000	Reduce funding for Water Planning BOA from \$500,000 to \$400,000. Further reductions could severely compromise our ability to provide the modeling support necessary to support operational requirements such as the PCCP inspection program.
B	Engineering and Construction	Planning	15	\$ 500,000	\$ 36,000	Reduce funding for Sewer Basin Planning Program (S-170.06)/Sewer Planning BOA from \$1,282,000 to \$782,000. This would retain funding for some sewer planning work, but would limit/delay what we can take on in FY2011. True impact will not be known until we complete our system wide evaluations later in FY2010.
B	Engineering and Construction	Planning	15	\$ 207,000	\$ 207,000	N&E- Reduce funding for New DSG Modeling Tools, licenses, and training from the original \$414,000 to \$207,000. This would retain 50% of funding for FY2011 and delay 50% of our request to FY2012. This reduction would delay the conceptual plans to upgrade the current DSG hydraulic modeling technology. DSG will have to delay the implementation of new hydraulic modeling tools because licenses for work stations for all DSG Planning employees would not be able to be purchased at the same time resulting in a delay for DSG to be able to maximize efficiency improvements possible from the new tools. We currently use a water system modeling tool which is actually a proprietary tool from a former WSSC colleague who is now retired. Hence, we cannot maintain and upgrade this modeling tool. For sewer system modeling, we currently perform analysis using self devised programs in Excel spreadsheet format which leads to inconsistencies and are easily questioned from applicants who have the modern tools.
B	Engineering and Construction	Process Control	87	\$ 5,000	\$ 5,000	Cuts back on the amount of small-cost computer equipment until FY 12
B	Engineering and Construction	Project Delivery	1	\$ 339,690	\$ -	N&E for FY 2011 - Omit 2 Project Manager, 1 Facilities Inspector II, and 1 Administrative Assistant II positions from the FT 2011 budget. This would impact project work load that can be carried by the Group rendering currently unassigned projects to remain unassigned and not move forward. Also some degradation of quality design and construction contract management and construction inspection of CIP/ESP projects would be sacrificed. Efficiency and consistency of administrative functions (each manager would have to perform all of their own administrative functions), project schedule tracking, budget tracking, contractor and consultant evaluation documentation would also suffer. This reduction will require the elimination of projects. The water/sewer impact depends on which projects are eliminated.
B	Engineering and Construction	Regulatory Services	81	\$ 5,000	\$ 3,985	Travel for Conferences - Regulatory Services' ISU is committed to attend and actively participate in Code Development at the ICC level in lieu reacting to ICC changes and administering change on the local level only. Funding is needed to participate in Code Development Hearings. Without active participation, WSSC will not be able to influence the Code Development Process.

FY'11 Potential Budget Reductions

Priority	Team	Organization	Account	Proposed Reduction	Water/Sewer Impact	Discussion
B	Engineering and Construction	Systems Infrastructure	8	\$ 100,000	\$ -	N&E - Project coordination software. If this funding is cut, the Commission would lose the ability to partner with the other agencies and utilities such as both Counties and the Washington Gas on pipeline projects. This partnering enables us to share access to each agency's project-planning efforts, so that we can coordinate and save money by sharing in the paving costs. Paving costs are approximately 25% over and above the costs for our routine water main pipe replacement project.
B	Engineering and Construction	Systems Inspection	1	\$ 357,630	\$ -	N&E - 4 contract managers for expanded water and sewer rehabilitation programs. If mileage goal is not reduced to FY'10 levels, contract management will be compromised.
B	Engineering and Construction	Systems Inspection	15	\$ 2,304,000	\$ -	N&E - 23 Contract Inspectors for expanded water and sewer rehabilitation programs. If mileage goal is not reduced to FY'10 levels, inspection services will be compromised.
B	Engineering and Construction	Systems Inspection	20	\$ 2,000,000	\$ 1,176,471	1,000,000 from capital funds and 1,000,000 from operating funds. A reduction may slow down street repairs.
B	Engineering and Construction	Technical Services	1	\$ 95,550	\$ 95,550	N&E - Sr. Electrical Engineer. Deeper triage of facility design & construction plan review process; delays in review & approval of major electrical and electromechanical components & equipment of WSSC contracts; reduced continuity in revision upgrades and approval of related engineering standards. The only incumbent is overloaded.
B	Engineering and Construction	Technical Services	1	\$ 102,180	\$ 102,180	N&E - Principal Geotechnical Engineer. Continue to perform geotechnical reviews for major engineering projects using highly tasked unit coordinator who manages water main reconstruction and PCCP Inspection Programs. No development/refinement of geotechnical standards & practices.
B	Engineering and Construction	Technical Services	1	\$ 69,290	\$ -	N&E - Surveys Party Chief. Lack of continuity of survey services; Continued inaccuracy of GIS data on assets; Continued or increased use of survey consultants. Funds dedicated to consulting will be reduced by \$70,000 because added personnel will diminish expenditures on outside services.
B	Engineering and Construction	Technical Services	1	\$ 69,290	\$ 29,290	N&E - Engineering Assistant IV. Lack of continuity of document scanning & indexing services; Engineering drawings not available in Webmap. Funds dedicated to consulting will be reduced by \$40,000 because added personnel will diminish expenditures on outside services.
B	Finance	Retirement Group	40	\$ 60,000	\$ 47,820	Actuarial valuation can be eliminated for FY 11, but will need to be restored in FY 12.
B	Customer Care	Customer Care Team Office	8	\$ 100,000	\$ 100,000	Fire Hydrant Painting – Public perception of an unsightly FH is a non-functioning FH.
B	Customer Care	Customer Care Team Office	10	\$ 100,000	\$ 100,000	Leak Detection – This is part of determining the current state of our infrastructure.
B	Customer Care	Customer Care Depots & Support Services	4	\$ 163,000	\$ 162,647	Eliminate funds for uniforms. Negatively impacts employee morale because they will have to use their own money to purchase clothing.
B	Customer Care	Customer Care Depots	81	\$ 5,100	\$ 5,100	Completely eliminate travel and conferences. This stifles employee development and succession preparedness at a time when WSSC is facing a high retirement rate.
B	Customer Care	CC Support Services	8	\$ 60,000	\$ 60,000	Eliminate funds for Meter Reading route re-sequencing. Use limited in-house staff to correct the worst routes. Will have an effect on overall meter reading efficiency.

FY'11 Potential Budget Reductions

Priority	Team	Organization	Account	Proposed Reduction	Water/Sewer Impact	Discussion
B	Customer Care	Wastewater Collection	8	\$ 88,700		Attenuator Hauling - A reduction in this item would have a negative impact on timely completion of work. Staff and vehicle not performing core function. This is supported by a one year contract with five option years.
B	IT Team	Enterprise Technology Solutions Division	40	\$ 50,000	\$ 41,000	FIT Tool. Reduced scope of project.
B	IT Team	Enterprise Technology Solutions Division	40	\$ 20,000	\$ 16,400	Data Scrubbing of Legacy Systems. Reduced scope of project.
B	IT Team	Systems Support & Operations Division	8	\$ 10,000	\$ 8,200	Technology Refresh Phase 2. Reduced scope of project.
B	IT Team	Systems Support & Operations Division	8	\$ 50,000	\$ 41,000	Revenue Remittance System Replacement. No work would be performed on this project.
B	IT Team	Systems Support & Operations Division	8	\$ 15,000	\$ 12,300	Mainframe / OEM Release and Hardware Update. Reduced scope of project.
			Priority B Total	\$ 14,764,340	\$ 4,300,682	
C	Staff Offices	General Counsel's Office	87	\$ 14,000	\$ 11,158	Limit access to software required for planned GCO productivity improvements-- e.g., document management
C	Staff Offices	SLMBE	40	\$ 650,000	\$ 526,500	N&E - Disparity Study
C	Finance	Finance Office	8	\$ 6,000	\$ 4,782	Consultant for Insurance - Without consultant, we will have to go out and pay an hourly rate for insurance expertise, which could cost more than current budgeted amount.
C	Finance	Revenue Group	8	\$ 11,000	\$ 8,767	Reduce armored courier services by half, but will require trips to bank to be escorted by Security Patrol Officers.
C	Production	Potomac Group	1	\$ 184,340	\$ 184,340	N&E - 3 workyears to support the operation and maintenance of new processes and equipment provided under the Potomac Improvements Project; O&M of the Solids Handling Facilities that was supposed to be contracted out under the Competitive Action Program (CAP); support of water quality programs such as Enhanced Coagulation. Our ability to reliably maintain these processes and programs will be affected if these workyears are eliminated.
C	Production	Patuxent/Potomac	21	\$ 946,200	\$ 946,200	Eliminate fluoridation of the water supply
C	Production	Patuxent/Potomac	21	\$ 1,604,250	\$ 1,604,250	Eliminate Orthophosphate application which helps to prevent pin hole leaks.
C	Engineering and Construction	Planning Group	15	\$ 582,000	\$ 582,000	N&E - Water & Sewer Hydraulic Modeling Tool - DSG will have to delay the implementation of new hydraulic modeling tools because licenses for work stations for all DSG Planning employees would not be able to be purchased at the same time resulting in a delay for DSG to be able to maximize efficiency improvements possible from the new tools. We currently use a water system modeling tool which is actually a proprietary tool from a former WSSC colleague who is now retired. Hence, we cannot maintain and upgrade this modeling tool. For sewer system modeling, we currently perform analysis using self devised programs in Excel spreadsheet format which leads to inconsistencies and are easily questioned from applicants who have the modern tools.
C	Engineering and Construction	Project Delivery	1	\$ 323,470	\$ -	Current Vacancies in 2010 - 1 Lead Project Manager, 1 Project Manager, 1 Project Scheduler and 1 Facilities Inspector II vacancies. This would impact project work load that can be carried by the Group rendering currently unassigned projects to remain unassigned and not move forward. Also of quality of design and construction contract management and construction inspection of CIP/ESP projects would be sacrificed as a result of less time being dedicated to each project. This reduction will require the elimination of projects. The water/sewer impact depends on which projects are eliminated.
C	Engineering and Construction	Project Delivery	2	\$ 27,900	\$ -	We would spend less time inspecting CIP/ESP projects, work would be performed without WSSC inspection/oversight or if we forced contractors to meet our schedule, contracts would take longer to complete due to no overtime allowed.

FY'11 Potential Budget Reductions

Priority	Team	Organization	Account	Proposed Reduction	Water/Sewer Impact	Discussion
C	Engineering and Construction	Project Delivery	8	\$ 60,000	\$ 4,320	Delete all Account 00008 funds - would eliminate funding for background checks for all consultant and contractor personnel for all security sensitive projects (facilities and large pipeline work). Background check requirements would have to be eliminated if projects were to move forward, else all design and construction contracting would cease.
C	Engineering and Construction	Project Delivery	40	\$ 1,000,000	-	Delete Professional Services for Project Management & inspection staff augmentation for capital projects. This would impact project work load that can be carried by the Group rendering currently unassigned projects to remain unassigned and not move forward. Also of quality of design and construction contract management and construction inspection of CIP/ESP projects would be sacrificed if we tried to manage full work load. This reduction will require the elimination of projects. The water/sewer impact depends on which projects are eliminated.
C	Engineering and Construction	Project Delivery	40	\$ 200,000	\$ 14,400	Delete or delay implementation of PM manual and PM training development from Staff Augmentation BOA. This will prolong resolution of issues we have with lack of documentation of processes which will lead to more and more inconsistency and inefficiency organization wide. The longer it goes without being done, the worse the inconsistencies and inefficiencies will get.
C	Engineering and Construction	Regulatory Services	8	\$ 50,000	\$ 50,000	This funding is needed to meet the regulatory requirements of the program for conducting laboratory analyses, and repairing sampling equipment. In addition this funding will provide additional support, if necessary related to regulatory compliance in support of the Industrial Discharge Control program. Depending on the status of regulatory compliance and potential chemical discharge challenges, there will be a need for conducting further testing and analysis of the regulated industries. In some situations, sampling of the commercial facilities may also become necessary in order to determine if new chemical discharge guidelines should be established.
C	Engineering and Construction	Regulatory Services	8	\$ 40,000	\$ 40,000	Temporary staffing remains a priority in support of the Plans Review office. This is the position we have been attempting to convert to a permanent position for many years. This position is essential as it is the only administrative position within the Plans Review Office. This position also serves as a back-up for Inspection Support Aides who answer calls related to scheduling plumbing inspections.
C	Engineering and Construction	Regulatory Services	40	\$ 61,300	\$ 61,300	Professional Services - This funding is needed for technical support related to both the continuing education requirements mandated by the International Code Council (ICC), plumbing certifications and possible technical support for addressing outstanding FOG related challenges. In addition, some technical support may be needed for the Cross Connection Program. If this funding is cut, the following impacts may be realized: <ul style="list-style-type: none"> An inability to maintain the International Code Council certification requirements for the plumbing inspection staff. An inability to retain potential outside experts to help with addressing technical challenges (e.g., optimum design of grease interceptors) associated with the FOG (fats, oil and grease) program. An inability to assign a small task to an outside professional for providing assistance with the Cross Connection Program.

FY'11 Potential Budget Reductions

Priority	Team	Organization	Account	Proposed Reduction	Water/Sewer Impact	Discussion
C	Engineering and Construction	Regulatory Services	1	\$ 339,950	\$ 339,950	New and Expanded Programs - Cross Connection Control Program. If funds are not provided for the growth of this critical program, the commission's ability to develop a systematic program to provide protection against high hazard sites will be compromised.
C	Engineering and Construction	Infrastructure - Systems	15	\$ 1,500,000	\$ 1,500,000	Reduction of PCCP Program inspection and installation of acoustical fiber optic monitoring mileage request from approx.12 miles back down to 6 miles; further increasing the risk of PCCP transmission main failures and early detection of problem areas.
C	Customer Care	Customer Care Team Office	10	\$ 1,750,000	\$ 1,750,000	PCCP Repair - The state of our PCCP is one of the most important infrastructure issues. Ruptures such as the one on River Road has great implication to our ability to provide water to the 1.8M customers we serve; additionally, this is a public safety issue.
C	Customer Care	Customer Care Team Office	8	\$ 50,000	\$ 50,000	Payments to Miss Utility - Keeps funding at FY 09 level. The use of MISS U is largely driven by external users, such as homeowners, other utility companies, etc. The level of funding needed is to match current usages.
C	Customer Care	Customer Relations	8	\$ 15,000	\$ 15,000	Approved new and expanded program to pay Salvation Army due to anticipated increase in water fund contributions and thus administrative fee due to bill "round-up" initiative.
C	Customer Care	Customer Care North	2	\$ 100,000	\$ 100,000	Eliminate overtime support of PCCP inspection work. Contractors would have support only during normal business hours. Inspections are in the northern zone for this year.
C	Customer Care	Customer Care North	4	\$ 100,000	\$ 100,000	Eliminate all but the most critical PCCP pipe repairs found during PCCP inspections. Only repair pipe with 80 or more broken wires. Inspections are in the northern zone for this year.
C	Customer Care	Customer Care North	10	\$ 500,000	\$ 500,000	Eliminate all but the most critical PCCP pipe repairs found during PCCP inspections. Only repair pipe with 80 or more broken wires. Inspections are in the northern zone for this year.
C	Customer Care	Customer Care Central	54	\$ 15,000	\$ 15,000	Purchase no new safety equipment this year and make do with what is in stock. This could be a serious problem is some existing equipment becomes unusable due to wear and tear or regulatory obsolescence.
C	Customer Care	CC Support Services	15327	\$ 177,100	\$ 29,517	Approved new and expanded program for FY 2011 for Meter Reading Handheld upgrade. This will now occur in FY 2010.
C	Customer Care	Wastewater Collection	10	\$ 400,000	\$ 400,000	N&E - Chemical Root Control - Approved New/Expanded Budget = 1.5 million. A budget cut results in negative impact on reduction of SSOs caused by root intrusion.
C	Customer Care	Wastewater Collection	15	\$ 4,000,000	\$ -	The increasing chemical root control backlog will continue to grow; and this cut will negatively affect the re-application of the chemical root control for pipes already treated. The chemical root control backlog has a list of pipe sections affected by roots; while on backlog these sections may lead to future SSOs. The program could yield faster SSO reduction results.
C	Customer Care	Wastewater Collection	8	\$ 1,000,000	\$ 1,000,000	N&E - Design for sewer reconstruction - Reduction would delay needed repairs.
C	Customer Care	Wastewater Collection	8	\$ 1,000,000	\$ 1,000,000	N&E - Consent Decree Consultant Services - Reduction could lead to Consent Decree delay and associated fines.
C	Customer Care	Wastewater Collection	8	\$ 1,000,000	\$ 1,000,000	N&E - Sewer System Evaluation Survey - Reduction could lead to Consent Decree delay and associated fines.
C	Customer Care	Wastewater Collection	15	\$ 3,600,000	\$ 3,060,000	N&E Design for ROW Clearing - Reduction could lead to Consent Decree delay and associated fines.

FY'11 Potential Budget Reductions

Priority	Team	Organization	Account	Proposed Reduction	Water/Sewer Impact	Discussion
C	Customer Care	Wastewater Collection	10	\$ 3,400,000	\$ 2,720,000	N&E - Pipe Armoring - Approved New/Expanded Budget = 5 million. The impact would be less pipe armoring & road clearing for emergency repairs. The Zones would have to do more clearing and armoring to address emergencies. Clearing for emergencies under emergency contract would cost much more than the tasks under the Pipe Armoring contract.
C	Customer Care	Wastewater Collection	1	\$ 95,550	\$ -	N&E - WW Collection System Project Manager. This position is needed to support the sewer reconstruction program.
C	Customer Care	Wastewater Collection	1	\$ 178,750	\$ -	N&E - 2 Sr. Civil Engineers. These positions are needed to support the sewer reconstruction program.
C	IT Team	Systems Support & Operations Division	40	\$ 10,000	\$ 8,200	N&E - Proactive Systems Monitoring, Phase 3. Reduced scope of project.
C	IT Team	Network Support & Operations Division	15330	\$ 20,000	\$ 16,400	N&E - 2-Way Radio (LMR) Upgrade. Reduced scope of project (reduced scope of equipment upgrades)
C	IT Team	Network Support & Operations Division	8	\$ 10,000	\$ 8,200	N&E - Dictaphone Replacement. Reduced scope of project.
C	IT Team	Network Support & Operations Division	8	\$ 10,000	\$ 8,200	N&E - Security Network - Cabling. Reduced scope of project.
C	IT Team	Network Support & Operations Division	8	\$ 10,000	\$ 8,200	N&E - Security Network - Components. Reduced scope of project.
C	IT Team	Network Support & Operations Division	8	\$ 100,000	\$ 82,000	N&E - Telecom Expense Management. This could result in increased spendings in Acct 42 - Commission-wide Telecom & Communications expenses.
Priority C Total				\$ 24,141,810	\$ 16,748,684	
TOTAL:				\$ 39,813,820	\$ 21,907,421	