

COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND

2002 Legislative Session

Resolution No. CR-20-2002

Proposed by Chairman Shapiro

Introduced by Council Members Shapiro, Bailey and Wilson

Co-Sponsors _____

Date of Introduction May 22, 2002

RESOLUTION

A RESOLUTION concerning

The approval of the Fiscal Year 2002-2003 Operating and Capital Budgets
of the Washington Suburban Sanitary Commission and the Recommendation
of Water and Sewer Rates and Ad Valorem Tax Levies for the
Fiscal Year 2002-2003

For the purpose of adopting with amendments the Fiscal Year 2002-2003 Operating and Capital
Budgets of the Washington Suburban Sanitary Commission and the recommended Water and
Sewer Rates and Ad Valorem Tax Levies for the Fiscal Year 2002-2003.

WHEREAS, Section 1-204 of Article 29 of the Annotated Code of Maryland establishes a
procedure for the preparation, review and approval of the annual capital and operating budgets of
the Washington Suburban Sanitary Commission, and further provides for recommendations by
the Montgomery and Prince George's County Councils regarding the rates for water consumption
and sewer usage charges and the ad valorem tax levies of the Commission; and

WHEREAS, the Montgomery County Council on October 9, 2001, by Resolution No. 14-
1031 and the Prince George's County Council on October 16, 2001 by Resolution No. CR-64-
2001, established the following spending control limits for the Fiscal Year 2003 Water and
Sewer Operating and Capital Budgets of the Washington Suburban Sanitary Commission:

Water and Sewer Bill Increase	0.0%
(Including the Account Maintenance Fee)	
New Water and Sewer Debt	\$ 78.6 Million
Water and Sewer Debt Service	\$ 137.1 Million
Water and Sewer Operating Fund Expenditures	\$ 385.5 Million; and

1 WHEREAS, on March 1, 2002, the Washington Suburban Sanitary Commission submitted
2 to the County Executives of Montgomery and Prince George's Counties its proposed capital and
3 operating budgets for Fiscal Year 2002-2003; and

4 WHEREAS, the Proposed Capital and Operating Budgets for Fiscal Year 2003 submitted
5 by the Washington Suburban Sanitary Commission were in compliance with all spending control
6 limits established by the Prince George's and Montgomery County Councils; and

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

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

12 WHEREAS, the Prince George's County Council, upon due public notice, held a public
13 hearing on the Commission's proposed budget on April 9, 2002 at which interested persons were
14 given an opportunity to be heard by the Prince George's County Council; and

15 WHEREAS, the Prince George's County Council, following review of said budgets,
16 approved on April 11, 2002, proposed additions to, deletions from, increases and decreases from
17 items contained in the proposed budgets and transmitted these proposed changes to the
18 Montgomery County Council on May 7, 2002; and

19 WHEREAS, the Prince George's County Council received on May 8, 2002, from the
20 Montgomery County Council its approved proposed additions to, deletions from, and increases
21 and decreases from items in the Commission's proposed budgets; and

22 WHEREAS, on May 9, 2002, the Montgomery and Prince George's County Councils
23 jointly reviewed the respective proposed additions to, deletions from, and increases and
24 decreases regarding items in said submitted capital and operating budgets and further considered
25 all proposed changes;

26 NOW, THEREFORE, BE IT RESOLVED by the County Council of Prince George's
27 County, Maryland, that the following amounts and positions, or as much thereof as may be
28 necessary to accomplish the purposes designated, are hereby approved for the budget of the
29 Washington Suburban Sanitary Commission for the fiscal year beginning July 1, 2002 and
30 ending June 30, 2003:
31

	<u>Operating</u>	<u>Capital</u>
Salaries & Wages	\$ 72,330,000	\$ 17,153,000
Heat, Light & Power	11,275,000	0
Regional Sewage Disposal	33,000,000	0
Contract Work	0	83,205,000
Consulting Engineers	0	9,456,000
All Other Items	133,544,000	90,178,000
Debt Service	<u>215,686,000</u>	<u>300,000</u>
Total	\$465,835,000	\$200,292,000

Workyears Authorized: 1521; and

BE IT FURTHER RESOLVED, that the Capital and Operating Budgets hereby adopted include the following change to the proposed budgets as recommended by the respective County Councils; and

BE IT FURTHER RESOLVED, that the Capital Budget is decreased by \$214,000 to mainly reflect changes in the Fiscal Year 2003 estimates for the Blue Plains Plant-wide projects (\$1,327,000) and for the changes in the Six-Year Water and Sewer Capital Improvements Program (CIP) as detailed in Appendix A (Water) and Appendix B (Sewer) which are attached hereto and incorporated herein; and

BE IT FURTHER RESOLVED, that in implementing the operating budget, the Commission shall establish its work program priorities within the dollar and workyear levels approved herein, taking into consideration the recommendations approved by the Prince George's County Council at the May 9, 2002 Bi-County Council meeting; and

BE IT FURTHER RESOLVED, that the Commission in accordance with the actions and recommendations of the two Counties hereby approves budget amounts for salary enhancements consistent with State law; and

BE IT FURTHER RESOLVED, that the Commission is restricted to use of only the \$24,532,000 million budgeted for PAYGO funding in Fiscal Year 2003 and that any proposal to increase this amount must be approved by the Commissioners during a regularly scheduled Commission meeting; and

BE IT FURTHER RESOLVED, that in adopting its Fiscal Year 2003 Operating Budget the Counties and the Commission recognize that although total operating debt service is

1 \$215,686,000 and equals 46.3% of the total operating budget, water and sewer operating debt
2 service, the portion of debt service supported by water and sewer rate revenues, is \$136,532,000
3 or 35.4% of the water and sewer operating budget; and

4 BE IT FURTHER RESOLVED, that the Prince George's County Council joins with the
5 Montgomery County Council in recommending to the Washington Suburban Sanitary
6 Commission the following:

- 7 1. Rate for Water Consumption: zero increase
- 8 2. Sewer Usage Charge: zero rate increase
- 9 3. The Water and Sewer Use Charges will be based on a water production rate of 167
10 million gallons per day; and

11 BE IT FURTHER RESOLVED, that any supplements to the Washington Suburban
12 Sanitary Commission's Approved Fiscal Year 2003 budget shall be in accordance with the
13 provisions of Section 1-204 of Article 29, Annotated Code of Maryland; and

14 BE IT FURTHER RESOLVED, that the Commission acknowledges the recommendations
15 of the respective County governing bodies regarding certain policies, procedures, and practices
16 and will take the following actions concerning them:

- 17 1. Obtain the approval of both County Councils before increasing operating expenditures
18 above \$465,835,000.
- 19 2. Obtain the County Council's approval prior to making any transfer of funds from any
20 of the approved expenditure categories within the operating and capital budgets in
21 excess of five percent (5%) of the approved amounts. The amount approved for debt
22 service is excluded from this transfer authority.
- 23 3. Furnish monthly status reports to each County Council and County Executive as to the
24 fiscal and budgetary activities of the Commission pursuant to the Approved Operating
25 and Capital Budgets, commencing with the end of the first quarter of the fiscal year.
26 These reports shall be submitted not more than 45 calendar days after the close of each
27 month.

Adopted this 22nd day of May, 2002.

COUNTY COUNCIL OF PRINCE
GEORGE'S COUNTY, MARYLAND

BY: _____
Peter A. Shapiro
Chair

ATTEST:

Redis C. Floyd
Acting Clerk of the Council

NOTE: Appendix A and B are available in hard copy only.