



AGENDA

WSSC Water FY 2022 Proposed Budget Meeting with County Staffs February 9, 2021

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I. FY 2021 BUDGET STATUS

COMBINED WATER AND SEWER OPERATING FUNDS

(In Thousands)

	<u>FY'20 ACTUAL</u>	<u>FY'21 APPROVED BUDGET</u>	<u>FY'20 ACTUAL THRU 12/31/19</u>	<u>FY'21 ACTUAL THRU 12/31/20</u>	<u>PROJECTED THRU 6/30/21</u>
REVENUES					
Water Consumption & Sewer Use Charges	\$618,158	\$689,210	\$331,808	\$354,594	\$658,200
Use of Accumulated Net Revenue	11,341	8,000	0	0	8,000
All Other Revenues	<u>122,209</u>	<u>120,040</u>	<u>58,183</u>	<u>56,490</u>	<u>107,240</u>
TOTAL REVENUES	<u>751,708</u>	<u>817,250</u>	<u>389,991</u>	<u>411,084</u>	<u>773,440</u>
EXPENSES					
Operating Expenses	472,147	491,141	216,312	209,783	482,700
PAYGO	0	31,016	7,754	0	0
Debt Service Expense	<u>279,745</u>	<u>313,865</u>	<u>141,411</u>	<u>146,450</u>	<u>295,400</u>
GROSS EXPENSES	<u>751,892</u>	<u>836,022</u>	<u>365,477</u>	<u>356,233</u>	<u>778,100</u>
Less: Reconstruction Debt Service Offset	(11,600)	(9,500)	(5,800)	(4,750)	(9,500)
Less: SDC Debt Service Offset	(6,695)	(5,772)	(3,348)	(2,887)	(5,772)
Less: Premium & Underwriter's Discount Transfers	<u>(7,904)</u>	<u>(3,500)</u>	<u>(1,450)</u>	<u>(4,576)</u>	<u>(9,151)</u>
NET EXPENSES	<u>725,693</u>	<u>817,250</u>	<u>354,879</u>	<u>344,020</u>	<u>753,677</u>
NET REVENUE (LOSS) FOR YEAR	<u>\$26,015</u>	<u>\$0</u>	<u>\$35,112</u>	<u>\$67,064</u>	<u>\$19,763</u>
ACCUMULATED NET REVENUE - BEGINNING OF YEAR	132,931				147,476
NET REVENUE (LOSS) FOR YEAR	26,015				19,763
USE OF ACCUMULATED NET REVENUE	<u>(11,341)</u>				<u>(8,000)</u>
ACCUMULATED NET REVENUE - END OF YEAR	<u>\$147,605</u>				<u>\$159,239</u> *
WATER CONSUMPTION (MGD)	128.6	122.1	135.6	131.0	122.1

* Includes Working Capital Reserve of \$80.9 million.

NOTE: Refer to Pages 8 and 9 for details of Water and Sewer Operating Funds.

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**STATEMENT OF CAPITAL FUNDS INCOME AND EXPENDITURES
CAPITAL FUNDS TOTAL**

(In Thousands)

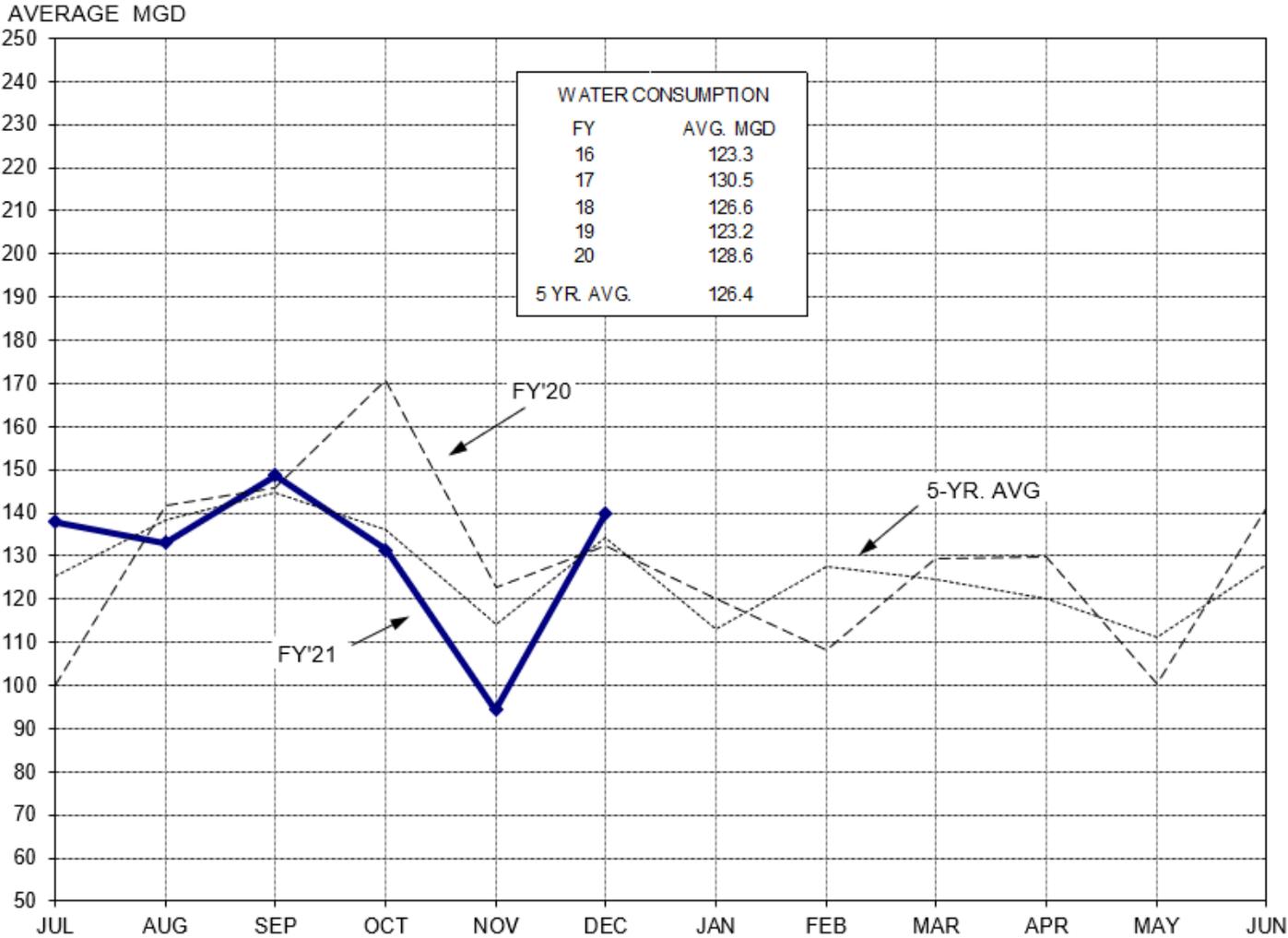
	FY'20 ACTUAL	FY'21 APPROVED BUDGET	FY'20 ACTUAL THRU 12/31/19	FY'21 ACTUAL THRU 12/31/20	PROJECTED THRU 6/30/21
<u>GROSS FUNDS AVAILABLE</u>					
Bonds Issued and Cash on Hand	\$289,097	\$562,675			
Anticipated Contributions:					
Federal & State Grants	1,589	23,000			
System Development Charge	14,077	9,530			
Other	12,451	10,177			
Available for Current Construction	<u>317,214</u>	<u>605,382</u>			
<u>CAPITAL COSTS</u>					
Salaries & Wages	\$26,388	\$27,826	\$13,657	\$12,974	\$27,826
Contract Work	211,404	353,066	95,326	84,634	275,000
Consulting Engineers	44,478	77,182	13,669	12,030	50,000
All Other *	112,115	147,308	53,409	56,571	125,000
TOTAL COSTS	<u><u>\$394,385</u></u>	<u><u>\$605,382</u></u>	<u><u>\$176,061</u></u>	<u><u>\$166,209</u></u>	<u><u>\$477,826</u></u>

*Reflects the transfer of \$3.6 million of Bond Premium to the Water & Sewer Operating funds.

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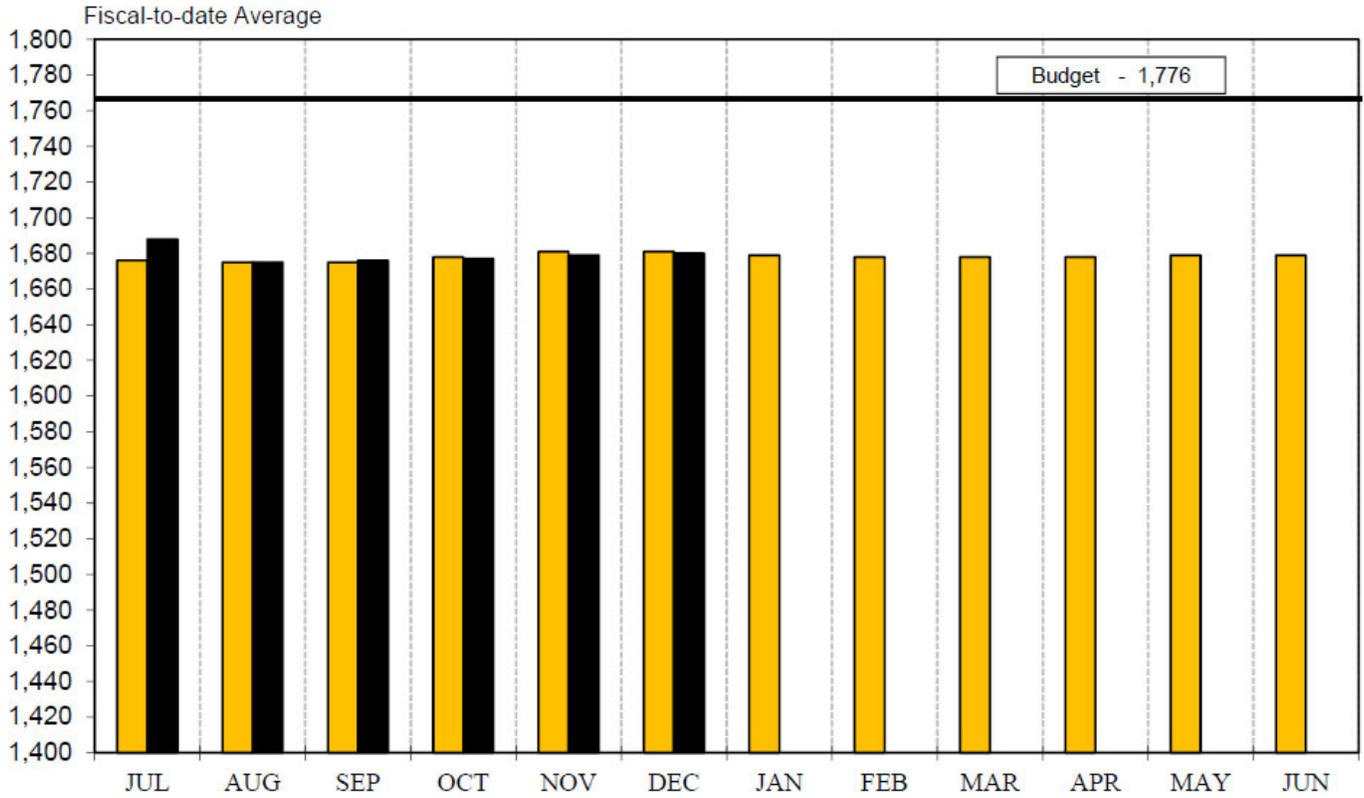
WATER CONSUMPTION



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ACTUAL WORKYEARS



■ FY'20	1,676	1,675	1,675	1,678	1,681	1,681	1,679	1,678	1,678	1,678	1,679	1,679
■ FY'21	1,688	1,675	1,676	1,677	1,679	1,680	-	-	-	-	-	-

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II. FY 2022 PROPOSED BUDGET DISCUSSION

FY 2022 Preliminary Proposed Budget Summary of Key Provisions

The total proposed budget for all funds is \$1.553 billion, \$852.1 million in operating and \$700.9 million in capital. A 5.9 percent average increase in water consumption and sewer usage revenue is required to fund water and sewer operating expenses. In addition, we have performed a comprehensive review of fees and charges and have proposed various changes to align service costs with the fees charged. The budget provides for:

- Treating and delivering 163.0 MGD of water to over 475,000 customer accounts in a manner that meets or exceeds the Safe Drinking Water Act standards
- Treating 192.07 MGD of wastewater and responsibly managing up to 1,000 tons of bio-solids 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, 6 water resource recovery facilities, 5,900 miles of water mains, and 5,700 miles of sewer mains, 24 hours a day, 7 days a week
- Implementing the first year of the FYs 2022-2027 Capital Improvements Program
- Complying with the Sanitary Sewer Overflow and the Potomac Plant Consent Orders
- Providing maintenance services at a level consistent with the objective of responding to the customer within 2 hours and restoring service within 24 hours
- Funding the replacement of 31 miles of small diameter water mains and 6.5 miles of large diameter water mains
- Rehabilitating 31 miles of small diameter sewer mains and lateral lines and 14.4 mile of large diameter sewer mains
- Holistically rehabilitating the Piscataway basin to reduce infiltration and inflow
- Funding \$71.1 million for large diameter water main rehabilitation.
- Issuing \$409.7 million in new water and sewer debt
- Paying debt service of \$316.8 million - of which \$309.0 million is in the Water and Sewer Operating Funds
- Paying \$59.1 million for WSSC Water's share of the cost of operating the District of Columbia Water and Sewer Authority's Blue Plains Wastewater Treatment Plant



FY 2022 Preliminary Proposed Budget Summary of Key Provisions (Continued)

- Funding \$3.2 million for water tank rehabilitations
- Proposing limited compensation enhancements considering the very challenging fiscal environment
- Proposing 4 additional positions to meet mission-critical needs Production and Customer Service
- \$3.3 million to help financially struggling customers
- Maintaining an operating reserve of >15% of water and sewer revenues and 75-105 days of operating costs

FY 2022 Preliminary Proposed Budget Constraints

To reconcile our departments' initial FY 2022 budget requests with the Counties' Spending Affordability Guidelines, a funding gap exceeding \$14.2 million was closed by removing the items below from the budget and offsetting expenses with non-rate related funding sources.

- Salary & Wages - \$3.7 M
- PAYGO - \$3.4 M
- Chemicals - \$2.0 M
- Paving - \$1.0 M
- AMI licenses and several IT projects - \$1.0 M
- Customer Service Department Service by Others - \$0.7 M
- Miscellaneous Reductions - \$2.3 M (includes services by others, insurance, organizational development, furniture, machinery, claims, advertising, debt service on AMI)

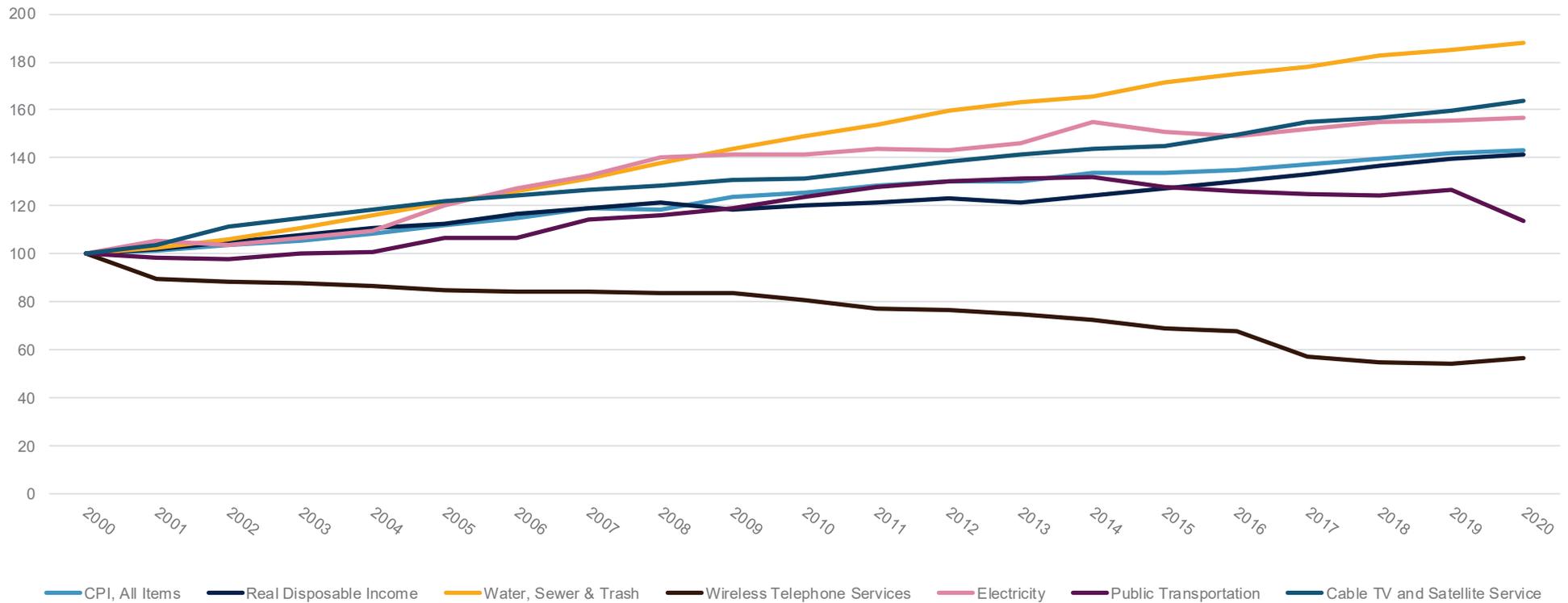
The budget constraints also continue to prevent WSSC Water from implementing some important improvements that would support and advance our strategic priorities including:

- Implementing a system-wide flushing program of our water distribution pipe network to reduce discolored water complaints
- Testing all 43,000 fire hydrants in our service area on a ten-year cycle, a best practice recommended by the American Water Works Association
- Increasing the number of regulatory inspectors allowing more time per inspection to perform gas-fitting and plumbing inspection. This ensures installations are not rushed due to staffing shortages that are a result of a steady increase in the number of inspections requested from applicants; and
- Increasing workyears and funding to adequately support the pipe relocations required for projects such as the I-495/I-270 widening and the MAGLEV High Speed Rail from Baltimore to DC.



Rising Costs Continue to Pressure **Affordability**

Selected Inflation Rates, 2000 to 2020 (Adjusted to Year 2000 = 100)



**REVENUES AND EXPENDITURES - IMPACT ON ADOPTED CHARGES
WATER AND SEWER PROGRAM COMBINED OPERATING FUNDS**

		(In Thousands \$000s)	FY 2021 Approved	FY 2022 Proposed	Dollar Change	W&S Rev Impact*	
OPERATING BUDGET	OPERATING REVENUES (BASE)						
		Water and Sewer Charges	\$ 689,210	\$ 677,814			
	REVENUE	ADJUSTMENTS TO REVENUES					
			Other Sources and Fees	110,040	109,724	(316)	0.0%
			Interest Income	10,000	1,000	(9,000)	1.3%
			Revenue Impairment	-	-	-	0.0%
		OTHER TRANSFERS AND CREDITS	26,772	13,772	(13,000)	1.9%	
			\$ 146,812	\$ 124,496	\$ (22,316)	3.3%	
	EXPENDITURES	OPERATING EXPENSES					
			Salaries and Wages	\$ 127,726	\$ 132,835	\$ 5,109	0.8%
			Heat, Light, and Power	20,423	18,493	(1,930)	-0.3%
			Regional Sewage Disposal	58,000	59,160	1,160	0.2%
			All Other	284,993	295,180	10,187	1.5%
			Unspecified Reductions/Additional & Reinstated	-	-	-	0.0%
			DEBT SERVICE	313,865	309,045	(4,820)	-0.7%
		PAYGO (Contribution to bond fund)	31,016	27,584	(3,431)	-0.5%	
		\$ 836,023	\$ 842,298	\$ 6,274	0.9%		
YEAR-END ADJUSTMENTS							
	Water User Growth Adjustment	602	-	(602)	-0.1%		
	Sewer User Rebaseline Adjustment	12,000	-	(12,000)	1.8%		
	Total - Base Case Revenue Need	\$ 677,813	\$ 717,802	\$ 39,988	5.9%		

*Approximately \$6.8 million in additional operating expenses = 1 percent increase in revenue

Potential Offsets to Revenue Increase:	FY 2022 Estimated	W&S Rev Impact
\$50 million CIP Reduction = Debt Service Impact @ 4.0% Interest	\$ (1,892)	-0.3%
\$100 million CIP Reduction = Debt Service Impact @ 4.0% Interest	\$ (3,783)	-0.6%
\$125 million CIP Reduction = Debt Service Impact @ 4.0% Interest	\$ (4,729)	-0.7%



LONG-RANGE FINANCIAL PLAN FOR WATER AND SEWER OPERATING FUNDS

(\$ in thousands)	FY 2021 Approved	FY 2022 Proposed	FY 2023 Projected	FY 2024 Projected	FY 2025 Projected	FY 2026 Projected	FY 2027 Projected
New Water and Sewer Debt Issues	\$ 409,922	\$ 409,704	\$ 415,548	\$ 356,388	\$ 350,000	\$ 350,000	\$ 350,000
Water and Sewer Combined Rate Increase (Average)	6.0 %	5.9 %	8.0 %	8.0 %	7.0 %	6.5 %	6.0 %
Operating Revenues							
Consumption Charges	\$ 689,210	\$ 717,803	\$ 765,097	\$ 827,329	\$ 886,354	\$ 945,173	\$ 1,003,177
Account Maintenance Fees	32,360	31,866	31,930	31,994	32,058	32,122	32,186
Infrastructure Investment Fees	39,410	38,808	38,886	38,963	39,041	39,119	39,198
Plumbing and Inspection Fees	14,470	14,350	14,781	15,224	15,681	16,151	16,636
Rockville Sewer Use	3,000	3,100	3,100	3,100	3,100	3,100	3,100
Miscellaneous	20,801	21,600	21,816	22,034	22,255	22,477	22,702
Interest Income	10,000	1,000	1,000	1,500	2,000	2,500	3,000
Total Operating Revenues	\$ 809,251	\$ 828,527	\$ 876,610	\$ 940,144	\$ 1,000,489	\$ 1,060,642	\$ 1,119,999
Other Credits and Transfers							
Use of Fund Balance	8,000	-	-	-	-	-	-
Reconstruction Debt Service Offset	9,500	6,000	4,000	2,000	-	-	-
SDC Debt Service Offset	5,772	5,772	5,772	5,772	5,772	5,772	5,748
Premium Transfer	1,500	-	-	-	-	-	-
Underwriters Discount Transfer	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Total Funds Available	\$ 836,023	\$ 842,299	\$ 888,382	\$ 949,916	\$ 1,008,261	\$ 1,068,414	\$ 1,127,747
Operating Expenses							
Salaries & Wages	127,726	132,834	138,813	145,059	151,587	158,408	165,537
Heat, Light & Power	20,423	18,493	19,233	20,002	19,191	18,413	19,278
Regional Sewage Disposal	58,000	59,160	60,343	61,550	62,781	64,037	65,317
All Other	284,993	295,182	301,084	307,105	313,247	319,512	325,903
Total Operating Expenses	\$ 491,142	\$ 505,669	\$ 519,473	\$ 533,716	\$ 546,806	\$ 560,370	\$ 576,035
Debt Service							
Bonds and Notes Principal and Interest	313,865	309,045	328,519	352,154	377,451	398,406	418,476
Other Transfers and Adjustments							
Additional and Reinstated	-	-	-	-	5,000	5,000	20,000
PAYGO	31,016	27,585	31,016	44,000	65,000	80,000	80,000
Total Expenses	\$ 836,023	\$ 842,299	\$ 879,008	\$ 929,870	\$ 994,257	\$ 1,043,776	\$ 1,094,511
Net Revenue (Loss)	\$ -	\$ -	\$ 9,374	\$ 20,046	\$ 14,004	\$ 24,638	\$ 33,236
Beginning Fund Balance - July 1							
	\$ 147,605	\$ 162,291	\$ 162,291	\$ 171,665	\$ 191,711	\$ 205,715	\$ 230,353
Net Increase (Decrease) in Fund Balance	-	-	9,374	20,046	14,004	24,638	33,236
Adjustments	14,686	-	-	-	-	-	-
Ending Fund Balance - June 30	\$ 162,291	\$ 162,291	\$ 171,665	\$ 191,711	\$ 205,715	\$ 230,353	\$ 263,589
Debt Service Coverage (1.10 - 1.25 is Target)	1.01	1.04	1.09	1.15	1.19	1.24	1.25
Debt Service as a % of Total Expenses (< 40% is Target)	37.5 %	36.7 %	37.4 %	37.9 %	38.0 %	38.2 %	38.2 %
End Fund Balance as a % of Operating Revenue (min. 15%)	20.1 %	19.6 %	19.6 %	20.4 %	20.6 %	21.7 %	23.5 %
Days Operating Reserve-on-Hand (75-105 Days is Target)	70.9	70.3	71.3	75.3	75.5	80.6	87.9
Total Workyears (All Funds)	1,776	1,780	1,780	1,780	1,780	1,780	1,780

Assumptions:

- The FYs 2023-2027 projections reflect WSSC Water's multi-year forecast and assumptions. The projected expenditures, revenues and fund balances for these years may be based on changes to rates, fees, usage, inflation, future labor agreements and other factors not assumed in the FY 2022 Proposed Budget. Data excludes General Construction Debt Service and General Construction Bonds.
- Debt service for bonds and notes includes Maryland Water Quality Bonds and interfund debt service transfers.
- Adjustments to Consumption Charges for Water and Sewer Combined Rate Increase assumes rate increase is in effect for 12 months.
- Debt Service Coverage is Operating Revenues less Operating Expenses (excluding Debt Service and PAYGO) divided by the debt service on bonds and notes.
- Adjustments shown for FY 2021 reflect prior period adjustment and the COVID-19 savings plan.



QUARTERLY CUSTOMER BILLS AT VARIOUS CONSUMPTION LEVELS

Meter Size	Average Daily Consumption (Gallons Per Quarter)	Approved FY 2018	Approved FY 2019	Approved FY 2020	Approved FY 2021	Proposed FY 2022	Percentage Change
3/4" Residential Meter	100 (9,125 gal/qtr)	\$ 122.72	\$ 127.01	\$ 138.94	\$ 145.58	\$ 152.48	4.7%
3/4" Residential Meter	165 (15,056 gal/qtr)	206.12	213.95	217.83	229.21	241.04	5.2%
3/4" Residential Meter	500 (45,625 gal/qtr)	816.40	851.99	794.66	840.78	888.79	5.7%
2" Meter	1,000 (91,250 gal/qtr)	1,878.23	1,952.14	1,903.02	2,004.81	2,110.76	5.3%
3" Meter	5,000 (456,250 gal/qtr)	9,169.19	9,552.44	9,736.92	10,284.01	10,853.51	5.5%
6" Meter	10,000 (912,500 gal/qtr)	19,085.00	19,878.88	19,748.55	20,852.26	22,001.19	5.5%

WATER AND SEWER RATE SCHEDULES

Proposed Rate Schedule Effective July 1, 2021

Average Daily Consumption During Billing Period (Gallons Per Day)	FY 2022 July 1, 2021 Proposed		Total
	Water Rates	Sewer Rates	Combined
	Per 1,000 Gallons		
0 - 80.9999	\$ 5.76	\$ 7.58	\$ 13.34
81 - 165.9999	6.51	8.42	14.93
166 - 275.9999	7.50	10.57	18.07
276 & Greater	8.79	13.96	22.75

Proposed Flat Rate Sewer Charge - \$142.00 per quarter.

Current Rate Schedule

Average Daily Consumption During Billing Period (Gallons Per Day)	FY 2021 July 1, 2020 Approved		Total
	Water Rates	Sewer Rates	Combined
	Per 1,000 Gallons		
0 - 80.9999	\$ 5.35	\$ 7.25	\$ 12.60
81 - 165.9999	6.04	8.06	14.10
166 - 275.9999	6.96	10.10	17.06
276 & Greater	8.15	13.33	21.48

Approved Flat Rate Sewer Charge - \$135.00 per quarter.



ACCOUNT MAINTENANCE FEES

Proposed For Implementation July 1, 2021

Meter Size	FY 2021 Current Quarterly Charges	FY 2022 Proposed Quarterly Charges
<u>Small Meters</u>		
5/8" to 1"	\$ 16.00	\$ 16.00
<u>Large Meters</u>		
1-1/2"	16.00	16.00
2"	27.00	27.00
3"	66.00	66.00
4"	142.00	142.00
6"	154.00	154.00
8"	200.00	200.00
10"	246.00	246.00
<u>Detector Check</u>		
2"	33.00	33.00
4"	177.00	177.00
6"	255.00	255.00
8"	461.00	461.00
10"	633.00	633.00
<u>Fire Service Meters</u>		
4"	182.00	182.00
6"	293.00	293.00
8"	452.00	452.00
10"	682.00	682.00
12"	989.00	989.00

This quarterly fee is prorated based on the number of days in the billing cycle.



INFRASTRUCTURE INVESTMENT FEES

Proposed For Implementation July 1, 2021

Meter Size	FY 2021 Current Quarterly Charges	FY 2022 Proposed Quarterly Charges
<u>Small Meters</u>		
5/8"	\$ 11.00	\$ 11.00
3/4"	12.00	12.00
1"	14.00	14.00
<u>Large Meters</u>		
1-1/2"	90.00	90.00
2"	185.00	185.00
3"	585.00	585.00
4"	813.00	813.00
6"	1,265.00	1,265.00
8"	2,845.00	2,845.00
10"	4,425.00	4,425.00
<u>Fire Service Meters</u>		
4"	499.00	499.00
6"	616.00	616.00
8"	2,524.00	2,524.00
10"	2,714.00	2,714.00
12"	5,214.00	5,214.00

This quarterly fee is prorated based on the number of days in the billing cycle.



WSSC WATER FY 2022 PROPOSED BUDGET VS. SPENDING AFFORDABILITY LIMITS
 (\$ in Millions)

	<u>FY 2022 Proposed Budget</u>	<u>Prince George's County Limit</u>	<u>Montgomery County Limit</u>
New Water and Sewer Debt	\$409.7	\$427.9	\$427.9
Total Water and Sewer Debt Service	\$309.0	\$309.7	\$309.7
Total Water/Sewer Operating Expenses	\$842.3*	\$841.4	\$841.4
Water/Sewer Rate Revenue Increase	5.9%	5.9%	5.9%

*Exceedance covered by offsetting funding sources

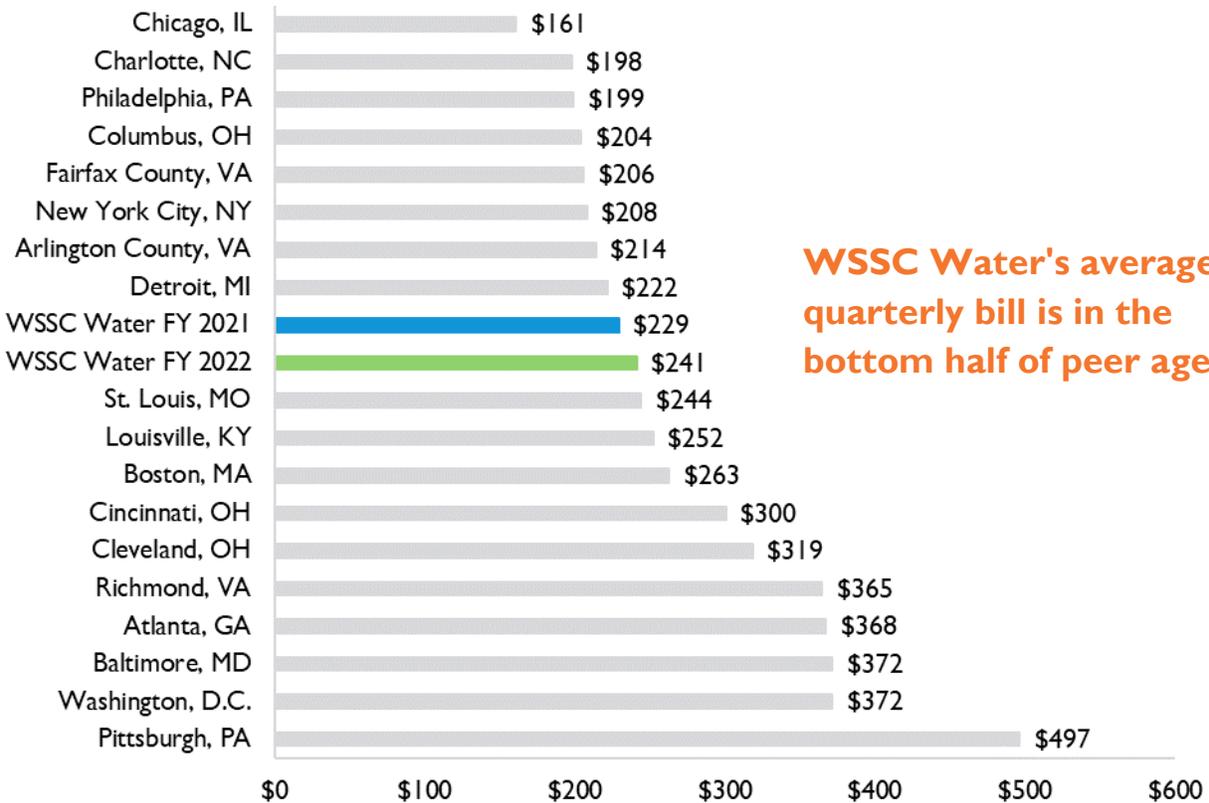


WATER AND SEWER BILL COMPARISON

Quarterly Bill Comparison

Presented below is a comparison of WSSC Water’s average quarterly residential bill for water and sewer services at 165 gallons per day to the equivalent bill from 18 other cities and communities, both locally and nationally. The consumption level of 165 gallons per day is used for comparison because it represents the average household in WSSC Water’s service area, a 3-person household using 55 gallons of water per person per day. The rates and fees used in this comparison were in effect as of December 2020. The chart includes WSSC Water bills at FY 2021 approved and FY 2022 proposed rates. As shown in the chart, the quarterly bills in the other communities range from a low of \$161 in Chicago, Illinois to a high of \$497 in Pittsburgh, Pennsylvania. WSSC Water ranks in the bottom half of the peer agencies, with quarterly bills of \$229 in FY 2021 and \$241 in FY 2022. Therefore, WSSC Water’s rates and fees are competitive both locally and nationally.

**Quarterly Residential Water and Sewer Bill
(165 Gallons per Day)**



WSSC Water's average quarterly bill is in the bottom half of peer agencies.

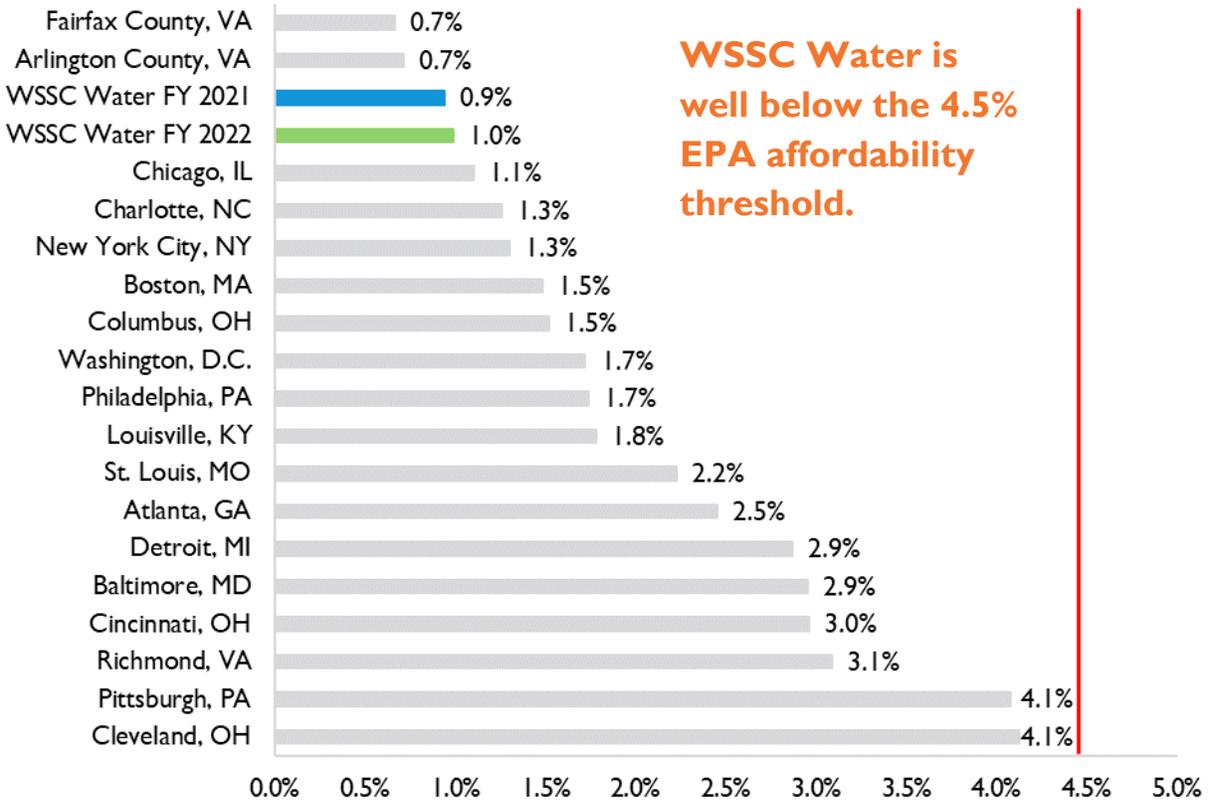


WATER AND SEWER BILL COMPARISON (Continued)

Bill as a Percentage of Median Household Income Comparison

The chart below shows a comparison of the average residential bills as a percentage of median household income for WSSC Water and the 18 other cities and communities analyzed for customers using 165 gallons of water per day. The average annual bill from WSSC Water in FY 2022 is only 1.0% of the median household income of its customers, a slight increase from the 0.9% in FY 2021. This places WSSC Water at the bottom end of the peer agencies, with only two agencies (Fairfax County and Arlington County in Virginia) having lower percentages. Additionally, WSSC Water is well below the 4.5% threshold that the U.S. Environmental Protection Agency (EPA) considers to be affordable for customers.

**Average Residential Bill as a Percentage of Median Household Income
(165 Gallons per Day)**



Median household income (in 2019 dollars) 2015-2019. Figures gathered from www.census.gov, 2015-2019 American Community Survey 5-Year Estimates.

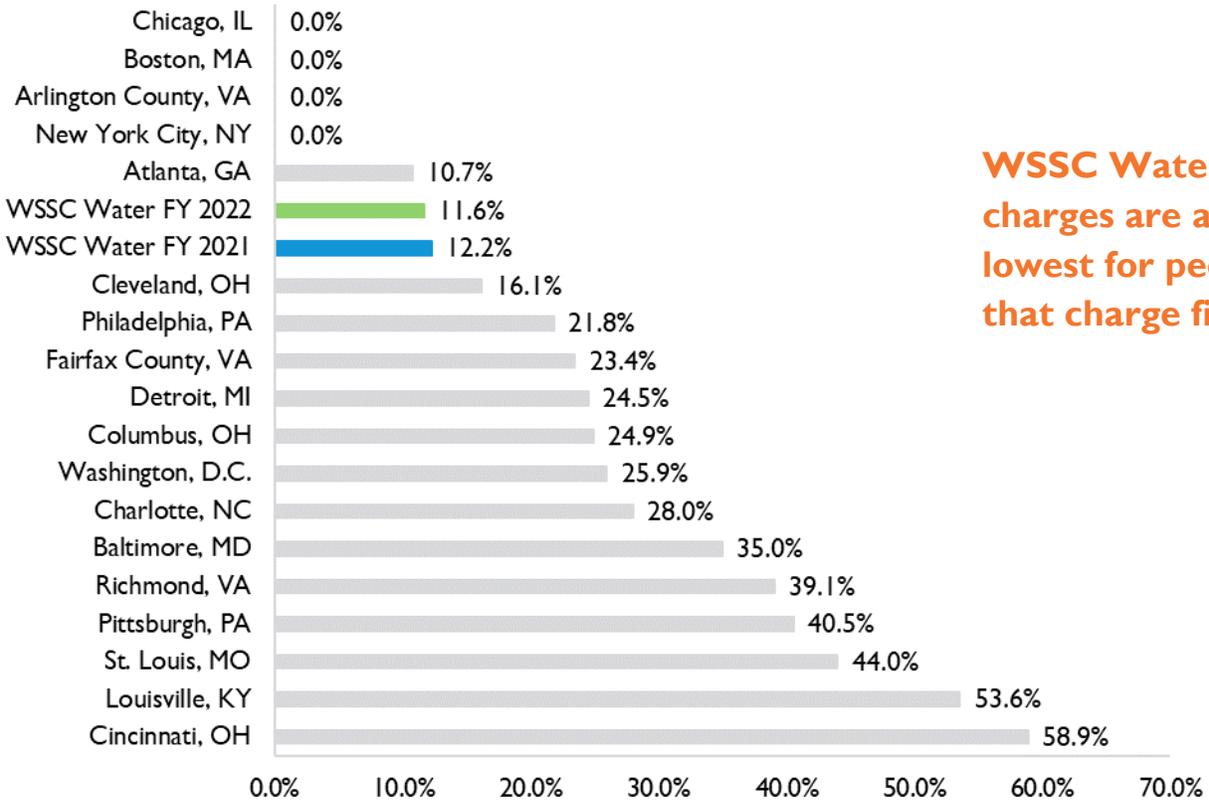


WATER AND SEWER BILL COMPARISON (Continued)

Percentage of Bill from Fixed Charges Comparison

A comparison of the percentage of the average residential bill, at 165 gallons per day, that is due to fixed charges is shown below for WSSC Water and the 18 other cities and communities reviewed. Four of the peer agencies (Chicago, Illinois; Boston, Massachusetts; Arlington County, Virginia; and New York City, New York) do not have any fixed fees as part of their water and sewer bills. Of the agencies that do charge fixed fees, WSSC Water has the second lowest percentage of its bill that is derived from those fees. In FY 2021, 12.2% of the average residential bill from WSSC Water was attributable to fixed fees. In FY 2022, that percentage has dropped to 11.6%, as the water and sewer rates have increased but fixed fees have remained the same.

**Percentage of Average Residential Bill from Fixed Charges
(165 Gallons per Day)**



WSSC Water's fixed charges are amongst the lowest for peer agencies that charge fixed fees.



SYSTEM DEVELOPMENT CHARGE – PROPOSED FOR IMPLEMENTATION JULY 1, 2021

SDC Category	FY 2021 Current Charges	FY 2022 Proposed Charges	Current Maximum Allowable	Proposed Maximum Allowable
Apartment				
Water	\$ 896	\$ 896	\$ 1,346	\$ 1,368
Sewer	1,140	1,140	1,714	1,741
1-2 toilets/residential				
Water	1,344	1,344	2,022	2,054
Sewer	1,710	1,710	2,568	2,609
3-4 toilets/residential				
Water	2,240	2,240	3,368	3,422
Sewer	2,850	2,850	4,285	4,354
5 toilets/residential				
Water	3,135	3,135	4,714	4,789
Sewer	3,991	3,991	6,000	6,096
6+ toilets/residential (per fixture unit)				
Water	88	88	134	136
Sewer	115	115	175	178
Non-residential (per fixture unit)				
Water	88	88	134	136
Sewer	115	115	175	178

No increase is proposed for the System Development Charge for FY 2022 in any category. The maximum allowable charge is being adjusted pursuant to Division II, Section 25-403(c) of the Public Utilities Article of the Annotated Code of Maryland, based on the 1.6% change in the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) for all items in the Washington, D.C. metropolitan area from November 2019 to November 2020.



MISCELLANEOUS FEES AND CHARGES - PROPOSED FOR IMPLEMENTATION JULY 1, 2021

WSSC Water provides a number of services for which separate fees or charges have been established. Recent review of the costs required to provide these services indicates a need to change the amounts charged for some of the services. The fee and charge changes listed below are proposed to be effective July 1, 2021.

Fee/Charge Number and Name	Current	FY 2022 Proposed	Charge Change
INSPECTIONS, LICENSES AND PERMITS			
I Inspection Fees - Water/Sewer Connection Hookup, Well/Septic Hookup, Plumbing and Gas-fitting Inspections			
<u>Plumbing and Gas-fitting Inspections</u>			
New Single Family Detached Dwellings and Townhouses	\$ 1,011	\$ 1,112	Yes
New Attached Dwellings (townhouses/multiplex excluding apartments)	1,011	1,112	Yes
<u>All Other Residential</u>			
Water/Well Hookup	132	145	Yes
Meter Yoke Inspection (meter only installation)	132	145	Yes
Water Hookup Converting from Well (includes 2 inspections)	264	290	Yes
Sewer/Septic Hookup	132	145	Yes
First Plumbing Fixture	132	145	Yes
Each Additional Fixture	53	61	Yes
SDC Credit Fixture Inspection (per fixture)	48	53	Yes
Minimum Permit Fee	242	263	Yes
Permit Reprocessing Fee	73	75	Yes
Long Form Permit Refund Fee	242	263	Yes
Long Form Permit Re-Issue Fee	242	263	Yes
<u>All Non-Residential</u>			
<u>Plan Review without Permit Application</u>			
25 Fixtures or Less	534	550	Yes
26-200 Fixtures	2,038	2,344	Yes
Over 200 Fixtures	4,061	4,670	Yes
<u>2nd or 3rd Review (with or without permit application)</u>			
25 Fixtures or Less	187	202	Yes
26-200 Fixtures	457	526	Yes
Over 200 Fixtures	973	1,119	Yes
Water/Well Hookup	235	259	Yes
Meter Yoke Inspection (meter only installation)	235	259	Yes
Sewer/Septic Hookup	235	259	Yes
FOG Interceptor	235	259	Yes
First Plumbing Fixture	235	259	Yes
Each Additional Fixture	59	64	Yes
SDC Credit Fixture Inspection (per fixture)	48	53	Yes
Minimum Permit Fee	337	371	Yes
Permit Reprocessing Fee	73	75	Yes
Long Form Permit Refund Fee	352	383	Yes
Long Form Permit Re-Issue Fee	352	383	Yes



MISCELLANEOUS FEES AND CHARGES - PROPOSED FOR IMPLEMENTATION JULY 1, 2021

Fee/Charge Number and Name	Current	FY 2022 Proposed	Charge Change
INSPECTIONS, LICENSES AND PERMITS (Continued)			
2 License Fees for the Regulated Trades			
<u>Reciprocal Master Plumber, Gas-fitter</u>			
Initial Registration per type (for 2 years)	\$ 123	\$ 135	Yes
Registration Renewal all types (for 2 years)	106	117	Yes
Late Registration Renewal	63	69	Yes
<u>Examined Master Plumber, Gas-fitter</u>			
Initial Registration per type (for 4 years)	130	143	Yes
Registration Renewal all types (for 4 years)	130	143	Yes
Late Registration Renewal	63	69	Yes
Cross-connection Technician Registration	32	35	Yes
Sewer and Drain Registration and Renewal (for 2 years)	53	61	Yes
Sewer and Drain Late Renewal Fee	24	26	Yes
<u>Journeyman License Registration</u>			
Initial Registration per type (for 2 years)	37	41	Yes
Registration Renewal (for 2 years)	37	41	Yes
Late Registration Renewal	25	27	Yes
License Transfer Fee	31	31	-
License Replacement Fee	18	19	Yes
Apprentice License Registration Renewal	13	14	Yes
3 Short Form Permit Fee (up to 3 fixtures) - Non-Refundable	113	124	Yes
4 Long Form Permit Transfer Fee (with inspection)	194	213	Yes
5 Tapper License Fees			
Permit Fee	363	363	-
Duplicate	36	36	-
6 Watershed Use Permit Fees			
<u>Boat Removal and Impoundment Fees</u>			
Boat/Craft Removal and Impoundment Fee	103	105	Yes
Removed Boat/Craft Storage Fee (Monthly)	82	80	Yes
<u>Watershed Use Permit Fees</u>			
Watershed Use Permit (January 1-December 31)	72	70	Yes
Watershed Use Permit (Single Day)	6	5	Yes
Open Season Boat Mooring (March 15 - November 30)	82	80	Yes
Winter Boat Mooring (December 1 - March 14)	57	60	Yes
Azalea Garden Rental (4 hours)	77	75	Yes
Bio-Brick Pavilion Rental (4 hours)	77	80	Yes
Boarding Stable Entrance Permit (Single Day)	258	260	Yes
Adjacent Landowner Entrance Permit (Single Day)	82	80	Yes
<u>Picnic Permit</u>			
Picnic Permit - Groups of 1-5 Persons (Single Day)	6	5	Yes
Picnic Permit - Groups of 6-10 Persons (Single Day)	12	10	Yes
Picnic Permit - Groups of 11-15 Persons (Single Day)	18	15	Yes
7 Site Utility Inspection Fees (Non-Minor)			
Base Fee	1,133	1,133	-
Pipeline (per foot)	6	6	-



MISCELLANEOUS FEES AND CHARGES - PROPOSED FOR IMPLEMENTATION JULY 1, 2021

Fee/Charge Number and Name	Current	FY 2022 Proposed	Charge Change
DISCHARGE AND WATER PROTECTION			
8 Septic Hauler Discharge Permit Fees			
<u>Category I - Residential & Septic Waste & Grease</u>			
1-49 gallons (per vehicle)	\$ 257	\$ 257	-
50-799 gallons (per vehicle)	5,578	6,136	Yes
800-2,999 gallons (per vehicle)	15,910	17,501	Yes
3,000 gallons & up (per vehicle)	34,754	38,229	Yes
January thru June (50% of fee)	50% of fee	50% of fee	-
Transfer and/or Replacement Permit Sticker	130	143	Yes
Industrial/Special Waste Disposal Fee (per 1,000 gallons)	366	377	Yes
Zero Discharge Permit Fee	130	143	Yes
Temporary Discharge Permit Fee plus sewer rate per 1,000 gallons	130	156	Yes
Sewer Rate - Hauled Waste (1,000 gallons of truck capacity)	47	48	Yes
9 Industrial Discharge Control Program Fees By Category			
<u>Industrial Users Subject to Categorical Pretreatment Standards</u>			
Less than 5,000 gpd (double visit)	5,594	6,153	Yes
Greater than 5,000 gpd (double visit)	8,571	9,428	Yes
Non-Discharging Categorical Industries (zero discharge)	1,507	1,658	Yes
<u>Significant Industrial Users</u>			
Less than 25,000 gpd (single visit - priority pollutant sampling)	5,594	6,153	Yes
Greater than 25,000 gpd (double visit - priority pollutant sampling)	8,571	9,428	Yes
Penalty Charge for Late Fee Payment	5% of fee	5% of fee	-
10 Discharge Authorization Permit Fees			
Significant Industrial User - Initial Permit (for 4 years)	6,651	7,316	Yes
Significant Industrial User - Renewal (for 4 years)	3,259	3,585	Yes
Initial Zero-Discharge CIU Permit (for 4 years)	2,526	2,779	Yes
Reissued Zero-Discharge CIU Permit (for 4 years)	1,684	1,852	Yes
Temporary Discharge Permit (non-SIU)	6,651	7,316	Yes
11 Discharge Fees - Food Service Establishment			
Full Permit FSE	537	537	-
BMP Permit FSE	152	152	-
12 Cross Connection Fees			
Test Report Fee (per report)	42	46	Yes
Base Fee for High Hazard Commercial Water Customer (per month)	18	20	Yes
Base Fee for All Other Commercial Water Customer (per month)	9	10	Yes



MISCELLANEOUS FEES AND CHARGES - PROPOSED FOR IMPLEMENTATION JULY 1, 2021

Fee/Charge Number and Name	Current	FY 2022 Proposed	Charge Change
METERS AND RELATED SERVICES			
13 Small Meter Replacement Fee (at Customer Request)	\$ 215	\$ 215	-
14 Meter Replacement Fees (Damaged or Stolen Meter)			
5/8" w/ touch pad (inside w/remote)	152	157	Yes
5/8" w/ pit pad (outside w/o remote)	150	150	-
5/8 Meter - pad encoder	127	131	Yes
5/8" x 3/4" w/ touch pad (inside w/ remote)	129	133	Yes
3/4" w/ touch pad (inside w/ remote)	160	160	-
3/4" w/ pit pad (outside w/o remote)	157	162	Yes
1" w/ touch pad (inside w/ remote)	202	202	-
1" w/ pit pad (outside w/o remote)	199	205	Yes
1" Kamstrup Meter, UT	319	329	Yes
1 1/2" Badger Flanged Meter	567	584	Yes
1 1/2" Flanged Meter	750	750	-
1 1/2" Nipple Meter	739	761	Yes
2" Flanged Meter	1,100	1,100	-
2" 15 1/4 Flanged Meter	1,207	1,243	Yes
3" Compound Meter	3,190	3,190	-
4" Compound Meter	3,960	3,960	-
6" Compound Meter	5,830	5,830	-
Turbine, Horizontal 3" Neptune w/ pit pad	1,475	1,519	Yes
Turbine, Horizontal 4" Neptune w/ pit pad	1,975	2,034	Yes
2" Hersey MVR Turbine	1,210	1,210	-
3" Hersey MVR Turbine	2,296	2,296	-
4" Hersey MVR Turbine	3,216	3,216	-
6" Hersey MVR Turbine	4,970	4,970	-
2" Detector Check	4,615	4,753	Yes
4" Detector Check	3,275	3,373	Yes
6" Detector Check	3,850	3,966	Yes
8" Detector Check	4,986	5,136	Yes
10" Detector Check	6,350	6,541	Yes
12" Detector Check	22,211	22,877	Yes
4" Fire Service Meter	8,239	8,239	-
6" Fire Service Meter	10,037	10,338	Yes
8" Fire Service Meter	12,502	12,877	Yes
10" Fire Service Meter	14,389	14,821	Yes
12" Fire Service Meter	20,403	21,015	Yes
3" Octave UT L=24	3,095	3,188	Yes
4" Octave UT L=29/ L=33	4,095	4,218	Yes
6" Octave UT L=45	6,026	6,207	Yes
8" Octave UT L=53	9,677	9,967	Yes
10" Octave UT L=68	13,080	13,472	Yes
15 Meter Testing Fees			
5/8" to 1"	261	261	-
1-1/2"	424	424	-
2" and up	473	473	-



MISCELLANEOUS FEES AND CHARGES - PROPOSED FOR IMPLEMENTATION JULY 1, 2021

Fee/Charge Number and Name	Current	FY 2022 Proposed	Charge Change
METERS AND RELATED SERVICES (Continued)			
16 Sub-Meter Installation Fees			
One-time Sub-Meter Charge - Small	\$ 261	\$ 261	-
One-time Sub-Meter Charge - Large	528	528	-
One-time Inspection Fee	66	76	Yes
Minimum Permit Inspection fee	220	242	Yes
17 Water Turn-Off, Turn-On Fees*			
Small Meter Turn-Off	80	80	-
Small Meter Turn-On	100	100	-
Large Meter Turn-Off	203	203	-
Large Meter Turn-On	241	241	-
18 Call Back Fee (small meters, plumbers)	93	93	-
19 Call Back Fee (large meters, plumbers)	301	346	Yes
20 Missed Appointment Fees			
First Missed Appointment or Restoration of Service Turn-On	97	97	-
Each Additional Missed Appointment	110	110	-
21 Meter Reinstallation Correction Fee	388	388	-
22 Sewer Meter Maintenance Fee (per year)	13,803	15,873	Yes
Quarterly Calibrations (per quarter)	3,451	3,969	Yes
23 Property Inspection Fee	119	119	-
24 Warehouse Restocking Fee	47	56	Yes

* Currently under review.



MISCELLANEOUS FEES AND CHARGES - PROPOSED FOR IMPLEMENTATION JULY 1, 2021

Fee/Charge Number and Name	Current	FY 2022 Proposed	Charge Change
FIRE HYDRANT SERVICES			
25 Temporary Fire Hydrant Connection Fees			
<u>3/4" Meter - Deposit</u>			
2 Weeks or Less with/Approved Payment Record	No fee	Delete	Yes
3/4" Meter Deposit	\$ 379	\$ 379	-
<u>3" Meter - Deposit</u>			
2 Weeks or Less with/Approved Payment Record	No fee	Delete	Yes
3" Meter Deposit	2,420	2,420	-
<u>Service Charge</u>			
2 Weeks or Less (3/4" meter)	68	75	Yes
2 Weeks or Less (3" meter)	130	130	-
Over 2 Weeks (3/4" and 3" meters)	175	175	-
Water Consumption - 3/4" meter (Minimum charge or Tier 4 rate per 1,000 gallons flat rate)	36	37	Yes
Water Consumption - 3" meter (Minimum charge or Tier 4 rate per 1,000 gallons flat rate)	229	242	Yes
Late Fee for Return of Meter (per day)	10	10	-
Fee on Unpaid Temporary Fire Hydrant Billings	1.5% per month	1.5% per month	-
Loss/Destruction of Meter	Replacement cost	Replacement cost	-
Loss/Destruction of Wrench	40	40	-
26 Truck Inspection Fee with Attached Fire Hydrant Meter (for 2 years)	52	52	-
27 Fire Hydrant Inspection Fee (per hydrant)	158	Delete	Yes
Controlled Access Surcharge Fee	30	Delete	Yes
28 Fire Hydrant Flow Test Fees			
No Current Test	693	693	-
Current Test	83	83	-



MISCELLANEOUS FEES AND CHARGES - PROPOSED FOR IMPLEMENTATION JULY 1, 2021

Fee/Charge Number and Name	Current	FY 2022 Proposed	Charge Change
DEVELOPMENT SERVICES			
29 Feasibility Review Fees (WSSC Water Built)			
Feasibility Submission Fee (non-refundable)	\$ 1,956	\$ 1,956	-
Feasibility Review & Report Fee Deposit (can be deferred as deficit when extension is completed)	13,048	14,353	Yes
30 Construction Services Fee	9.3% of WSSC Water's unit cost estimate or 12% of contractor's cost estimate	9.3% of WSSC Water's unit cost estimate or 12% of contractor's cost estimate	-
31 Design Review			
Development is More than 10 Residential Units or Commercial	6,500	6,500	-
Development is 10 Residential Units or Less	3,250	3,250	-
32 Extra Review Fees			
<u>Per SEP Plan Review</u>			
Minor Additional Reviews of Unsigned or Signed Plans (per review)	1,322	1,454	Yes
Major/Splitting Additional Reviews of Unsigned or Signed Plans (per review)	2,698	2,968	Yes
<u>Per Site Utility/Minor Utility Additional Unsigned or Signed Plan Review</u>			
Site Utility (per review)	1,604	1,764	Yes
Minor Site Utility (per review)	417	459	Yes
-			
Additional Review of Required Data (per application)	904	994	Yes
33 Hydraulic Planning Analysis and System Planning Forecast			
Modeling and Re-Modeling Fee - Up to 3 parts	2,116	2,433	Yes
Modeling and Re-Modeling Fee - per part over 3	765	842	Yes
Pressure Sewer System Review Fee (per system)	404	444	Yes
34 In-House Design Deposit	Deposit	Deposit	-
35 Partial Release Fee	1,468	1,541	Yes
36 Off-Property Service Connection Reimbursement	Reimbursement	Reimbursement	-
37 Service Connection Application and Inspection Fee (per permit)	2,434 water and/or sewer connection	2,434 water and/or sewer connection	-
38 Government Referred Plan Review			
Major Development - Over 10 Units	1,693	1,693	-
Minor Development - 10 or Less Units	791	791	-
Re-Review Fee for Major Development	791	791	-
Re-Review Fee for Minor Development	396	396	-
39 Pre-Screen Fee All Plan Types	394	404	Yes
40 Site Utility (On-site) Review Fees			
Base Fee	3,631	3,921	Yes
Additional Fee per 100 feet	352	380	Yes
Minor (Waived) Site Utility (On-Site) Fee	1,217	1,314	Yes
41 Name/Transfer of Ownership Change Fee	275	303	Yes
42 Variance Review Fee	1,362	1,498	Yes



MISCELLANEOUS FEES AND CHARGES - PROPOSED FOR IMPLEMENTATION JULY 1, 2021

Fee/Charge Number and Name	Current	FY 2022 Proposed	Charge Change
PIPELINE, ENGINEERING AND ENVIRONMENTAL SERVICES			
43 Shutdown/Charge Water Main Fee	\$ 1,177	\$ 1,177	-
Shutdown Complex Water Main Fee	2,144	2,144	-
44 Review and Inspection Fees for Site Work Potentially Impacting WSSC			
Water Pipelines			
Simple Review	399	399	-
Complex Review / Non-DR Developer Review	3,138	3,766	Yes
Inspection for Minor Adjustment / Non-DR Developer (per inspection)	266	266	-
45 Relocation Fee			
Inspection for MOU project (minimum charge up to 4 hours)	600	600	-
46 Connection Abandonment Fees			
County Roads (except Arterial Roads) - Water	1,474	1,474	-
County Roads (except Arterial Roads) - Sewer	1,873	1,873	-
State Roads and County Arterial Roads - Water	1,778	1,778	-
State Roads and County Arterial Roads- Sewer	2,200	2,200	-
47 Chlorination Confirmation Test Fee (per first test)	247	247	-
Re-Test or Additional Tests (per hour)	173	182	Yes
48 Re-Test or Additional Tests Chlorination and Pressure Test (per test)	173	182	Yes
Inspector Overtime (per hour)	206	206	-
49 Review Fee for Additional Reviews of Contract Documents As-Builts (per hour)	206	206	-
50 Residential Outside Meter Housing Upgrade/Pipe Alteration	6,805	6,805	-
51 Utility Erosion and Sediment Control Permit Fees (per linear foot)			
Minor Projects (<125 linear foot OR less than 42 inch deep and 20 inch width)	0.26	0.30	Yes
Major Projects	0.39	0.45	Yes
Minimum Charge for Major Projects	124	124	-
52 Right-of Way Release (or Subordination) Review Fee (per document)	1,335	1,442	Yes
53 Right-of Way Acquisition and Condemnation for SEP Projects	Reimbursement	Reimbursement	-
54 Environmental Site Review Fee			
With Database Search Submitted by Applicant	381	438	Yes
55 Feasibility Report and Committee Review Fee for On-Site Takeover Projects	1,288	1,481	Yes



MISCELLANEOUS FEES AND CHARGES - PROPOSED FOR IMPLEMENTATION JULY 1, 2021

Fee/Charge Number and Name	Current	FY 2022 Proposed	Charge Change
PUBLICATIONS AND ADMINISTRATIVE			
56 Plans, Plats and 200' Reference Maps Copies			
Xerographic bond paper copy (per sheet)	\$ 6	\$ 6	-
57 WSSC Water Plumbing and Fuel Gas Code (Plumbing Code)			
Sale of Plumbing Regulation (per book)	46	51	Yes
58 Contract Specifications, Contract Specification Books, Drawings, Design Manuals, Standard Details and General Conditions			
<u>Construction Specifications/Drawings</u>			
Utility Contracts (up to \$20)	11-20	11 - 20	-
Facility Contracts (up to \$450)	40 - 450	40 - 450	-
Construction Standard Details	66	73	Yes
Construction General Conditions & Standard Specifications	61	70	Yes
SEP Construction General Conditions & Standard Specifications	61	70	Yes
<u>Procurement Specifications/Drawings/General Conditions</u>			
With Routine Specifications	No charge	No charge	-
With Complex/Voluminous Specifications (up to \$200)	40 - 200	40 - 200	-
59 Photocopies of WSSC Water Documents Charges			
Readily Available Source Material (per single sided page)	0.30	0.30	-
Certified Copy of Readily Available Source Material (per single sided page)	0.60	0.60	-
Scanning Documents (per single sided page)	0.30	0.30	-
(A reasonable fee may be charged for time in excess of two hours expended by WSSC Water in searching for requested records or preparing such records for inspection and copying)			
60 WSSC Water Pipeline Design Manual Fee	90	90	-
61 WSSD Laws			
Bound Volume	83	83	-
Supplements	45	45	-
62 Transcribed Tape of a Hearing or Meeting Fee	Prevailing fee charged by vendor	Prevailing fee charged by vendor	-



MISCELLANEOUS FEES AND CHARGES - PROPOSED FOR IMPLEMENTATION JULY 1, 2021

Fee/Charge Number and Name	Current	FY 2022 Proposed	Charge Change
OTHER FEES AND CHARGES			
63 Patuxent Watershed Civil Citation Fees (State Mandated)			
First Offense	\$ 150	\$ 150	-
Each Additional Offense within Calendar Year	300	300	-
64 Civil Citation Fees - Sediment Control, Theft of Service and Plumbing			
Civil Citations (State Mandated)			
First Offense	250	250	-
Second Offense	500	500	-
Third Offense	750	750	-
Each Violation in Excess of Three	1,000	1,000	-
65 Lobbyist Registration Fee (Code of Ethics)	110	121	Yes
66 Dishonored Check Fee & Electronic Payment Fee	46	35	Yes
(applies to all dishonored checks and dishonored electronic payments)			
67 Credit Card Surcharge (Applies to customer payment of any fee/charge by credit card other than water and sewer billing)	2% of amount charged	2% of amount charged	-
68 Protest Filing Fee	847	857	Yes
69 Preparation of Hold Harmless Agreement Fee	1,351	1,486	Yes
70 Connection Redemption Fee	44	22	Yes



III. DISCUSSION ITEMS