



# THE PRINCE GEORGE'S COUNTY GOVERNMENT

(301) 952-3700

County Council

The Honorable George Leventhal, President  
Montgomery County Council  
100 Maryland Avenue, 6<sup>th</sup> Floor  
Rockville, MD 20850

MAY 07 2015

Dear President Leventhal:

The Prince George's County Council has reviewed the FY'16 Operating and Capital budgets of the Washington Suburban Sanitary Commission (WSSC), the Maryland-National Capital Park and Planning Commission (M-NCPPC), and the Washington Suburban Transit Commission (WSTC). The Council's recommendations on each of these budgets are provided for your information.

## **WASHINGTON SUBURBAN SANITARY COMMISSION**

### **WSSC Operating Budget:**

We are proposing some amendments to the WSSC operating budget. Listed below is a summary of recommended actions taken by the Council:

- Increase water and sewer rates by 1.0% for FY 16;
- Increase Account Maintenance fees of \$1.67 per month for FY'16;
- Increase Account Infrastructure Fee of \$2.00 per month for FY'16;
- Approve compensation for WSSC employees at 2% COLA and 3.5% step for eligible employees for a total of \$3.74 million; additional compensation for IT employees of \$261k, the difference between the proposed budget and the recommendations will go to PAYGO.
- Approve the Commission's water production proposal of 166 million gallons per day in FY'16.
- Approve the increase of water and sewer reserves by \$6.3 Million in FY'16.
- Approve the Commission's proposed level of authorized work-years at 1,747.

County Administration Building — Upper Marlboro, Maryland 20772

- Approve the new Customer Affordability Program (CAP) with a start date of July 1, 2015.
- Accept the Commission's proposed Health Care costs of \$30.9 million for FY 2016.
- Include the authority to fund an independent review of the services, programs, major cost drivers, business operations, including staffing levels and planning documents of the Commission as compared to industry best practices and applicable benchmarking metrics. This review will identify appropriate benchmarks for comparisons and conduct a review of the effectiveness and efficiency of the Commission's activities.
- Approve the Operating Budget of \$715.1 million.

**WSSC Capital Budget:**

The Council recommends WSSC's six-year Capital Improvements Program totaling \$2.1 billion, with FY'16 Budget Year total of \$547 million, a \$74 million increase from WSSC's FY'15 Approved Budget. Specifically, the Council endorses the following recommendations to the WSSC FY 2016-2021 Capital Improvement Program:

***A. System Development Charge***

- The Council concurs with WSSC's recommendations to maintain the SDC combined rate at \$203 per fixture. The Council also approved the Commission's proposal to increase to \$289 per fixture the maximum allowable ceiling for the SDC based on the Consumer Price Index (1.00%) for the preceding 12 months to preserve the option of maximizing the fee's yield in future years.

***B. Capital Program Categories (in thousands)***

|                                    |           |
|------------------------------------|-----------|
| System Reconstruction Programs     | \$136,442 |
| Engineering Support Program        | 14,000    |
| General Construction - Local Lines | 752       |
| Other Capital Projects             | 25,626    |
| Capitalized Interest               | 75        |

***C. New CIP Projects***

- The Council recommends WSSC's one (1) new proposed project in the FY'16 CIP for a total cost of \$442 thousand over the six-year program period.

The Council also recommends the removal of the 2 new additional Piscataway projects, due to the Bi County Project: Anaerobic Digester – Combined, Heat, and Power (A-103.01) being approved by both Councils in the Fall of 2014.

***D. All Other Projects***

- The Council concurs with updated numbers for the Blue Plains Projects and with all other projects as proposed in WSSC FY 2016-2021 Capital Improvements Program.

**MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION**

We recommend approval of the FY2016 compensation adjustments in the Commission's ratified agreement with Fraternal Order of Police Lodge #30. For employees represented by MCGEO and non-represented employees, since the agreement has not yet been ratified, we recommend approval of compensation adjustments that take into account the adjustments for similar employees of both counties, involve some combination of merit increase, general wage adjustment (COLA), and/or lump sum payment and do not exceed the amount proposed in the Commission's FY2016 budget (\$2.15 million for Montgomery County and \$2.95 million for Prince George's County and related Commission-wide costs).

With regard to the CAS budget, we recommend a total reduction of \$272,962 as outlined by CAS.

**WASHINGTON SUBURBAN TRANSIT COMMISSION**

The Council recommends the amount of \$122,137 be appropriated for the Prince George's County portion of the Fiscal Year 2016 Washington Suburban Transit Commission budget.

Thank you for your consideration of the Prince George's County Council's recommendations. We look forward to our discussions and meetings at the Bi-County meeting on May 7<sup>th</sup>. Please feel free to contact me at 301-952-3864.

Sincerely,



Mel Franklin  
Chairperson