



Montgomery
County Council

Committee: T&E

Committee Review: At a future date

Staff: Keith Levchenko, Senior Legislative Analyst

Purpose: To receive testimony – no vote expected

Keywords: #WSSC and CIP

AGENDA ITEM #12

March 3, 2020

Public Hearing

SUBJECT

FY20-25 CIP Amendment to the Washington Suburban Sanitary Commission (WSSCWATER) Capital Improvements Program (CIP)

- A-101.05, Customer Resource Building, +\$13.5 Million
- W-172.07, Patuxent Raw Water Pipeline
- X-170.08, Septage Discharge Facility

DESCRIPTION/ISSUE

- On February 5, 2020, the County Council received a request from WSSCWATER (see ©3-7) for an amendment to the FY20-25 WSSC CIP to provide for the acquisition and build-out of the office building located at 14400 Sweitzer Lane in Laurel, Maryland.
- WSSCWATER is seeking the acquisition of this building in order to alleviate space issues at its Richard G. Hocevar Headquarters Building (RGH), avoid current lease costs, provide needed swing space for renovations at RGH, improve security by moving all public facing functions to the newly acquired building, provide needed parking, generate revenue from lease income, and potentially provide for a multi-Agency Service Center through co-located services.
- To offset the expenditure impact in FY20, WSSCWATER has identified two ongoing projects (Patuxent Raw Water Pipeline and Septage Discharge Facility Planning & Implementation) which WSSCWATER recommends amending to move spending from FY20 to FY22.
- The Transportation & Environment Committee will discuss this issue along with WSSCWATER's Proposed FY21-26 CIP on March 2, 2020. The Council Staff Report for that meeting is available for download at:
https://www.montgomerycountymd.gov/council/Resources/Files/agenda/cm/2020/20200302/20200302_TE1.pdf

This report contains:

- Resolution ©1-2
- Transmittal Letter of January 30, 2020 from WSSCWATER ©3-7

Alternative format requests for people with disabilities. If you need assistance accessing this report you may submit alternative format requests to the ADA Compliance Manager. The ADA Compliance Manager can also be reached at 240-777-6197 (TTY 240-777-6196) or at adacompliance@montgomerycountymd.gov

Resolution No.: _____
Introduced: _____
Adopted: _____

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

By: County Council

SUBJECT: Amendment to the Washington Suburban Sanitary Commission's FY20-25 Capital Improvements Program
A-101.05, Customer Resource Building, +\$13.5 Million
W-172.07, Patuxent Raw Water Pipeline
X-170.08, Septage Discharge Facility

Background

1. Md. Code Ann., Pub. Util. §23-306 authorizes the Council to approve, disapprove, or modify the Washington Suburban Sanitary Commission (WSSCWATER) CIP.
2. Md. Code Ann., Pub. Util. §17-202 requires approval by the Montgomery County Council of supplements to the WSSCWATER capital and operating budgets.
3. Md. Code Ann., Pub. Util. §23-312 requires approval by the County Councils of each affected County for amendments to the Approved Capital Improvements Program.
4. Md. Code Ann., Pub. Util. §23-312 authorizes WSSCWATER or either the Montgomery or Prince George's County Councils to propose an amendment to the WSSCWATER's Capital Improvements Program.
5. On February 5, 2020, the County Council received a request from WSSCWATER for an amendment to the FY20-25 WSSCWATER CIP to provide for the acquisition and build-out of the office building located at 14400 Sweitzer Lane in Laurel, Maryland. This project will alleviate space issues at the WSSCWATER's Richard G. Hocevar Headquarters Building (RGH), avoid current lease costs, provide needed swing space for renovations at RGH, improve security by moving all public facing functions to the newly acquired building, provide needed parking, generate revenue from lease income, and potentially provide for a multi-Agency Service Center through co-located services with other government agencies.
6. WSSCWATER has identified two ongoing projects (Patuxent Raw Water Pipeline and Septage Discharge Facility Planning & Implementation) which can be amended with expenditures deferred from FY20 to FY22 to offset the FY20 impact.

7. After providing reasonable advance notice of public hearing on this request, the Council held a public hearing on March 3, 2020.
8. The Montgomery County Comprehensive Water Supply and Sewerage Systems Plan will be revised upon approval of this amendment request.

Action

The County Council for Montgomery County, Maryland approves the following action:

The FY20-25 Capital Improvements Program of the Washington Suburban Sanitary Commission is amended as described in the background and as shown on the attached project description forms.

This action also amends the Montgomery County Comprehensive Water Supply and Sewerage Systems Plan, which includes the Washington Suburban Sanitary Commission Capital Improvements Program. The Department of Environmental Protection must incorporate this capital program amendment into the plan's capital projects appendix.

This is a correct copy of Council action.

Selena Mendy Singleton, Esq.
Clerk of the Council



COMMISSIONERS
Chris Lawson, Chair
T. Eloise Foster, Vice Chair
Fausto R. Bayonet
Keith E. Bell
Howard A. Denis
Sandra L. Thompson

GENERAL MANAGER
Carla A. Reid

January 30, 2020

The Honorable Angela D. Alsobrooks, Prince George's County Executive
The Honorable Marc Elrich, Montgomery County Executive
The Honorable Todd M. Turner, Chair, Prince George's County Council
The Honorable Sidney Katz, President, Montgomery County Council

Dear Ms. Alsobrooks, Mr. Elrich, Mr. Turner, and Mr. Katz:

The purpose of this letter is to request approval of an amendment to the WSSC Water Adopted Fiscal Years 2020-2025 Capital Improvements Program (CIP). The amendment provides for the addition of one new CIP project, A-101.05, Customer Resource Building, and offsetting reductions to two existing CIP projects, W-172.07, Patuxent Raw Water Pipeline and S-170.08, Septage Discharge Facility Planning & Implementation. The projects to be reduced fully offset the new project and no increase to the FY 2020 Approved Budget is required.

At the January 15, 2020 meeting the WSSC Water Commissioners unanimously approved transmittal of this amendment to the counties for your review and approval.

The table below summarizes the changes to the projects. Amended project description forms are attached.

FY20 CIP Amendment

			FY20 Budgeted	FY20 Amendment
A	101.05	Customer Resource Building	-	13,500,000
W	172.07	Patuxent Raw Water Pipeline	8,580,000	1,695,000
S	170.08	Septage Discharge Facility	12,276,000	5,661,000
sub total			20,856,000	20,856,000

FY2020 Net Change 0

Your prompt approval of this CIP amendment is respectfully requested.

Sincerely,


Carla A. Reid
General Manager/CEO

Septage Discharge Facility Planning & Implementation

A. Identification and Coding Information		
Agency Number	Project Number	Update Code
S - 000170.08	103602	Change

PDF Date	October 1, 2019
Date Revised	January 15, 2020

Pressure Zones	
Drainage Basins	
Planning Areas	Bi-County

B. Expenditure Schedule (000's)

Cost Elements	Total	Thru FY'18	Estimate FY'19	Total 6 Years	Year 1 FY'20	Year 2 FY'21	Year 3 FY'22	Year 4 FY'23	Year 5 FY'24	Year 6 FY'25	Beyond 6 Years
Planning, Design & Supervision	4,880	4,080	40	760	166	360	234				
Land											
Construction	25,095	1,095	1,200	22,800	4,980	10,800	7,020				
Other	2,480		124	2,356	515	1,116	725				
Total	32,455	5,175	1,364	25,916	5,661	12,276	7,979				

C. Funding Schedule (000's)

WSSC Bonds	32,455	5,175	1,364	25,916	5,661	12,276	7,979				
------------	--------	-------	-------	--------	-------	--------	-------	--	--	--	--

D. Description & Justification

DESCRIPTION

This project provides for the planning, design, and construction of a new Septage and Fats, Oils, Grease (FOG) discharge facility at the abandoned Rock Creek WRRF, and new Septage discharge facilities at Anacostia WWPS No. 2 and Piscataway WRRF.

JUSTIFICATION

Currently septage waste is collected at three locations: Muddy Branch Road Disposal Site in Montgomery County, and Ritchie Road Disposal Site and Bladensburg Disposal Site in Prince George's County (the Temple Hills Road site was closed down on July 1, 2015). The types of waste collected are as follows: Septic Tank Pump-Out (Sludge), Waste Holding Tank Discharge (Gray Water); Grease Trap Pump Out (FOG), Bus Holding Tank Discharge (Sewage and Chemicals), and Small Food Service Providers (Low Volume FOG Waste). FOG wastes should not be discharged to the Commission's sewerage system without treatment.

Septage Discharge Facility Study for Montgomery County: Final Report, JMT (July 2012); Septage Discharge Facility Study for Prince George's County: Final Report, JMT (July 2012).

COST CHANGE

The estimated construction cost of the three facilities has increased based upon more refined cost estimates for all three sites.

OTHER

The project scope has remained the same. The design of the Rock Creek and Anacostia sites are 100% complete. The design of the Piscataway site is 90% complete. The expenditures and schedule projections shown in Block B are estimates at the current design stages at each site, and may change based upon actual bids. The design and construction of the FOG Discharge Facility at the Piscataway WRRF has been moved to the Piscataway WRRF Bio-Energy Project.

The Rock Creek and Anacostia sites will be advertised as one project in 2019. The design of the Piscataway site will be completed with construction deferred until 2023, after the performance of the Rock Creek and Anacostia sites have been evaluated, and coordinated with the construction schedule of other Piscataway facility projects.

COORDINATION

Coordinating Agencies: Maryland Department of Natural Resources; Maryland Department of the Environment; Maryland-National Capital Park & Planning Commission;(Mandatory Referral); Montgomery County Department of Environmental Protection; Montgomery County Government; Prince George's County Department of Environmental Resources; Prince George's County Government
Coordinating Projects: S - 000096.14 - Piscataway WRRF Facility Upgrades; S - 000103.02 - Piscataway Bioenergy

E. Annual Operating Budget Impact (000's)		FY of Impact
Staff & Other		
Maintenance		
Debt Service	\$2,111	23
Total Cost	\$2,111	23
Impact on Water and Sewer Rate	\$0.05	23

F. Approval and Expenditure Data (000's)

Date First in Program	FY 10
Date First Approved	FY 10
Initial Cost Estimate	10,835
Cost Estimate Last FY	30,494
Present Cost Estimate	32,455
Approved Request Last FY	5,229
Total Expense & Encumbrances	5,175
Approval Request Year 1	5,661

G. Status Information

Land Status	Public/Agency owned land
Project Phase	Design
Percent Complete	70 %
Estimated Completion Date	June 2022
Growth	
System Improvement	100%
Environmental Regulation	
Population Served	
Capacity	

H. Map

MAP NOT APPLICABLE

Patuxent Raw Water Pipeline

A. Identification and Coding Information

Agency Number	Project Number	Update Code
W - 000172.07	063804	Change

PDF Date October 1, 2018

Date Revised January 15, 2020

Pressure Zones Prince George's Main HG320A

Drainage Basins

Planning Areas BI-County

B. Expenditure Schedule (000's)

Cost Elements	Total	Thru FY'18	Estimate FY'19	Total 6 Years	Year 1 FY'20	Year 2 FY'21	Year 3 FY'22	Year 4 FY'23	Year 5 FY'24	Year 6 FY'25	Beyond 6 Years
Planning, Design & Supervision	5,957	5,377	180	400	40	200	160				
Land	219	219									
Construction	26,325	7,525	3,600	15,200	1,501	7,600	6,099				
Other	1,938		378	1,560	154	780	626				
Total	34,439	13,121	4,158	17,160	1,695	8,580	6,885				

C. Funding Schedule (000's)

WSSC Bonds	34,439	13,121	4,158	17,160	1,695	8,580	6,885				
------------	--------	--------	-------	--------	-------	-------	-------	--	--	--	--

D. Description & Justification

DESCRIPTION

This project provides for the planning, design, and construction of approximately 2.5 miles of new 48-inch diameter raw water pipeline from the Rocky Gorge Raw Water Pumping Station to the Patuxent Water Filtration Plant, cleaning of the existing water lines, and replacement of valves.

JUSTIFICATION

The existing raw water supply facilities are hydraulically limited to 72 MGD with all pumps running at the Rocky Gorge Pumping Station. In order to convey more than 72 MGD of raw water, a new raw water pipeline is required. A fourth raw water pipeline from the Rocky Gorge Pumping Station to the Patuxent Plant and modification/expansion of the Rocky Gorge Pumping Station will provide a firm raw water pumping transmission capacity of 110 MGD. These improvements, in conjunction with expansion of the Patuxent Water Filtration Plant, will give the Plant a firm nominal capacity of 72 MGD, with an emergency capacity of 110 MGD.

Patuxent WFP Facility Plan (April 1997); In-House Study (April 2002).

COST CHANGE

Not applicable.

OTHER

The project scope has remained the same. The Rocky Gorge Valve Replacement and the cleaning of existing raw water pipelines are 100% complete. The new raw water pipeline is currently in design. Expenditure and schedule estimates for the new raw water pipeline may change based upon design constraints and permitting issues. The project has been delayed due to a lengthy permit and right-of-way acquisition process. As with any construction project, areas disturbed by construction will be restored. This restoration includes paving of impacted roads in accordance with Prince George's County Policy and Specifications for Utility Installation and Maintenance Manual (Section 4.7.2).

COORDINATION

Coordinating Agencies: Baltimore Gas & Electric; Interstate Commission on the Potomac River Basin; Local Community Civic Associations; (West Laurel Civic Association); Maryland Department of the Environment; Maryland-National Capital Park & Planning Commission; Montgomery County Government; Prince George's County Government

Coordinating Projects: W - 000172.05 - Patuxent WFP Phase II Expansion; W - 000172.08 - Rocky Gorge Pump Station Upgrade

E. Annual Operating Budget Impact (000's)		FY of Impact
Staff & Other		
Maintenance	\$341	23
Debt Service	\$2,240	23
Total Cost	\$2,581	23
Impact on Water and Sewer Rate	\$0.05	23

F. Approval and Expenditure Data (000's)

Date First in Program	FY 06
Date First Approved	FY 03
Initial Cost Estimate	18,750
Cost Estimate Last FY	33,663
Present Cost Estimate	34,439
Approved Request Last FY	378
Total Expense & Encumbrances	13,121
Approval Request Year 1	1,695

G. Status Information

Land Status	Land Acquired
Project Phase	Design
Percent Complete	98 %
Estimated Completion Date	June 2022
Growth	
System Improvement	100%
Environmental Regulation	
Population Served	
Capacity	

H. Map

MAP NOT AVAILABLE

Customer Resource Building

A. Identification and Coding Information

Agency Number	Project Number	Update Code
A - 000101.05		Add

PDF Date	January 15, 2020
Date Revised	

Pressure Zones	
Drainage Basins	
Planning Areas	Bl-County

B. Expenditure Schedule (000's)

Cost Elements	Total	Thru FY'18	Estimate FY'19	Total 6 Years	Year 1 FY'20	Year 2 FY'21	Year 3 FY'22	Year 4 FY'23	Year 5 FY'24	Year 6 FY'25	Beyond 6 Years
Planning, Design & Supervision											
Land											
Construction	13,500			13,500	13,500						
Other											
Total	13,500			13,500	13,500						

C. Funding Schedule (000's)

WSSC Bonds	13,500			13,500	13,500						
------------	--------	--	--	--------	--------	--	--	--	--	--	--

D. Description & Justification

DESCRIPTION

The project provides for the acquisition and build-out of the office building located at 14400 Sweitzer Lane.

JUSTIFICATION

Acquisition of the building provides the following benefits: alleviates space issues at the Richard G. Hovevar Headquarters Building (RGH); avoids current lease costs; provides needed swing space for renovations at the RGH; improves security at the RGH by moving all public facing functions to the new building including Development Services - Permitting, Cashier functions, and inspectors for both Regulatory and Construction Divisions; provides needed parking; generates revenue from lease income; and, potential to serve as a Multi-Agency Service Center through co-located services with other government agencies. Additional benefits include: location across the street from the RGH; economical and secure IT connectivity; and, investment in an asset vs. lease.

COST CHANGE

Not applicable.

OTHER

The present project scope was developed as an amendment to the FY2020 CIP and has a projected total cost of \$13,500,000. The schedule and expenditure information shown in Block B are based upon the best available information for purchase of the building, partial build-out of space and related costs. Constructed in 2000, this modern, Class A, LEED Silver Certified, four story building with approximately 121,000 square feet of space and 479 parking spaces is located on 1.84 acres, across the street from the RGH, near the Montgomery and Prince George's County line. In comparison, the estimated new construction cost including land for a building this size is approximately \$36 million. The CIP amendment for the acquisition of the building requires the approval of both the Montgomery and Prince George's County Councils.

COORDINATION

Coordinating Agencies: Montgomery County Government; Prince George's County Government
Coordinating Projects: Not Applicable

E. Annual Operating Budget Impact (000's)		FY of Impact
Staff & Other	\$(2,249)	21
Maintenance	\$1,104	21
Debt Service	\$824	21
Total Cost	\$(321)	21
Impact on Water and Sewer Rate		

F. Approval and Expenditure Data (000's)

Date First in Program	FY 20
Date First Approved	FY 20
Initial Cost Estimate	13,500
Cost Estimate Last FY	
Present Cost Estimate	13,500
Approved Request Last FY	
Total Expense & Encumbrances	
Approval Request Year 1	13,500

G. Status Information

Land Status	Not Applicable
Project Phase	Not Applicable
Percent Complete	0 %
Estimated Completion Date	June 2020
Growth	
System Improvement	100%
Environmental Regulation	
Population Served	
Capacity	

H. Map

MAP NOT AVAILABLE

bcc: Commissioners
Commission/Corporate Secretary's Office
Office of the Inspector General
General Counsel's Office
Engineering & Construction Department
Finance Department
Budget Division

Mr. Robert Williams
Mr. J. Kenneth Battle, Jr.
Ms. Canjor Reed
Mr. Brent Johnson
Ms. Marlene Michaelson
Mr. Keith Levchenko
Mr. Rafael Murphy