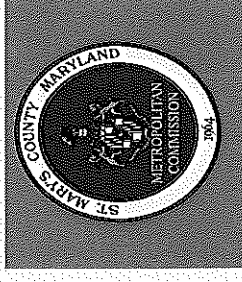
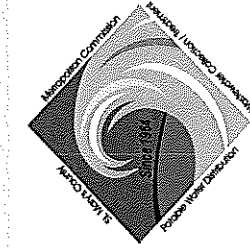


St. Mary's County Metropolitan Commission



**Public Hearing Presentation
Proposed Rate Increases and Capital
Improvement Budget**

June 1, 2009

What Rates Are Affected?

- Sewer Service Rates
- Water Service Rates
- Septage Hauler Rates
- Hydrant Meter Water Rates

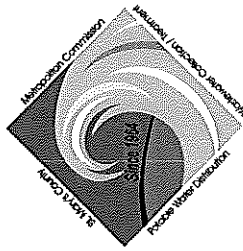
What Rates Are Not Affected?

- Capital Contribution Charges – Sewer & Water
- System Improvement Charges – Sewer & Water

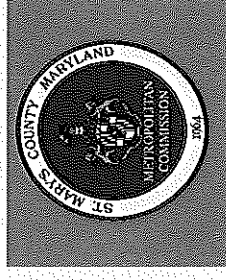
Purpose of Hearing

To obtain public comment:

- On the proposed water and sewer rate increases which are incorporated in the FY 2010 Operating Budget
- The FY10- FY14 Capital Improvement Budget (CIB)



St. Mary's County Metropolitan Commission



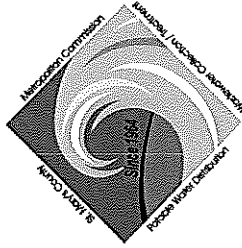
PROPOSED SEWER RATE CHANGES

	CURRENT	PROPOSED	INCREASE
NON-METERED ¹ (includes all residential)	\$26.39/mo	\$28.27/mo	\$1.88/mo
METERED ²	\$22.41/mo	\$24.14/mo	\$1.73/mo
OVERAGE RATE ³	\$4.27/Kgal	\$4.47/Kgal	\$.20/Kgal

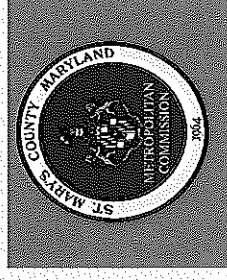
¹ Per EDU – Equivalent Dwelling Unit

² For 0-16,200 gallons per quarter

³ Overage rate applies to usage over 16,200 gallons per quarter



St. Mary's County Metropolitan Commission



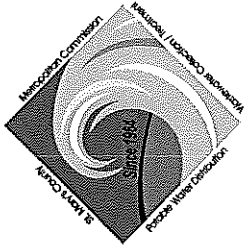
PROPOSED WATER RATE CHANGES

	CURRENT	PROPOSED	INCREASE
NON-METERED ¹	\$24.62/mo	\$26.20/mo	\$1.58/mo
METERED ²	\$14.64/mo	\$15.72/mo	\$1.08/mo
OVERAGE RATE ³	\$2.65/Kgal	\$2.62/Kgal	(\$.03)/Kgal
HYDRANT METER	\$5.30/Kgal	\$5.24/Kgal	(\$.06)/Kgal

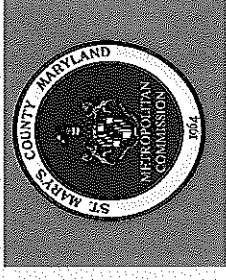
¹ Per EDU - Equivalent Dwelling Unit

² For 0-18,000 gallons per quarter

³ Overage Rate applies to usage over 18,000 gallons per quarter



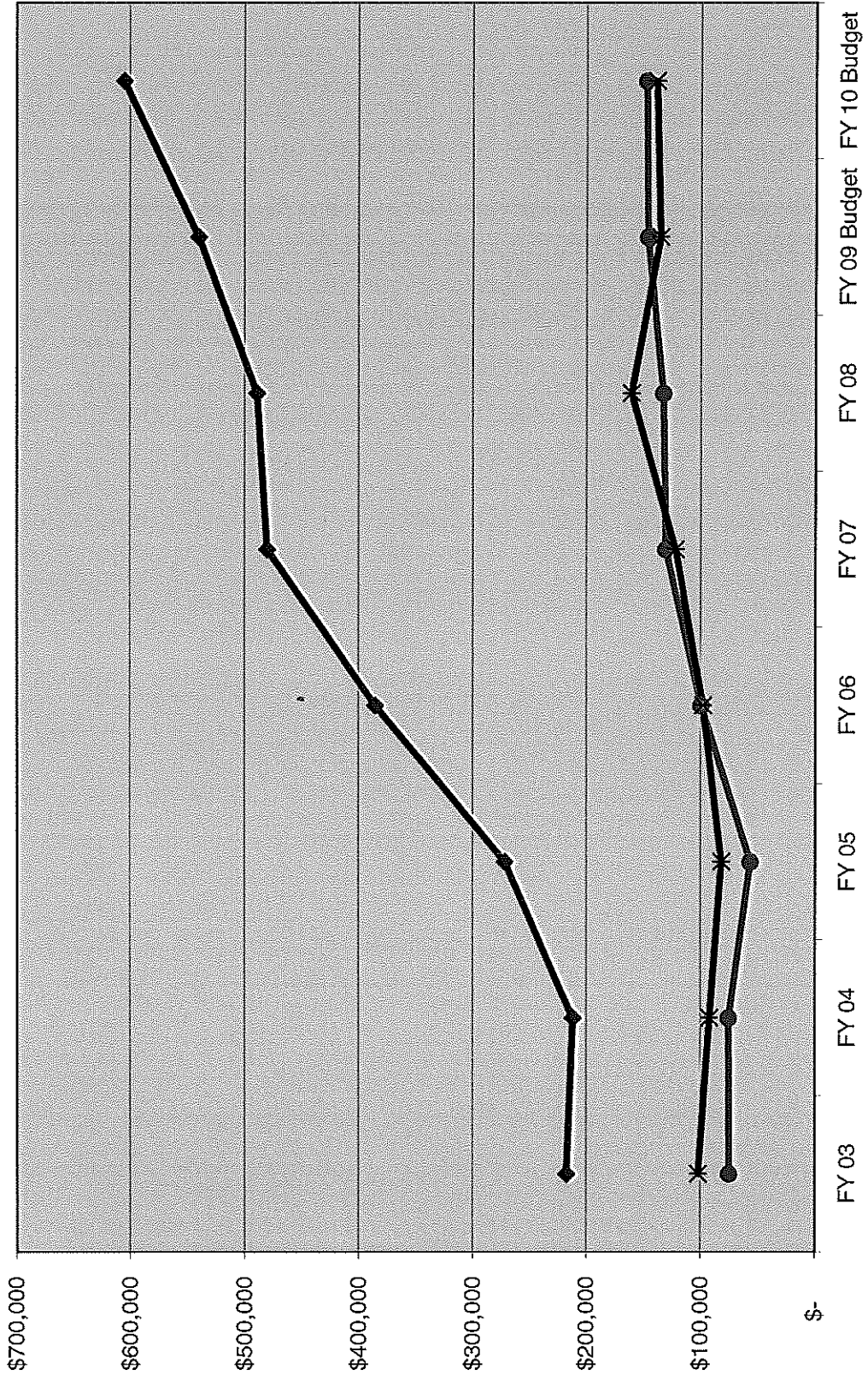
St. Mary's County Metropolitan Commission



Primary Reasons for Increases In Rates

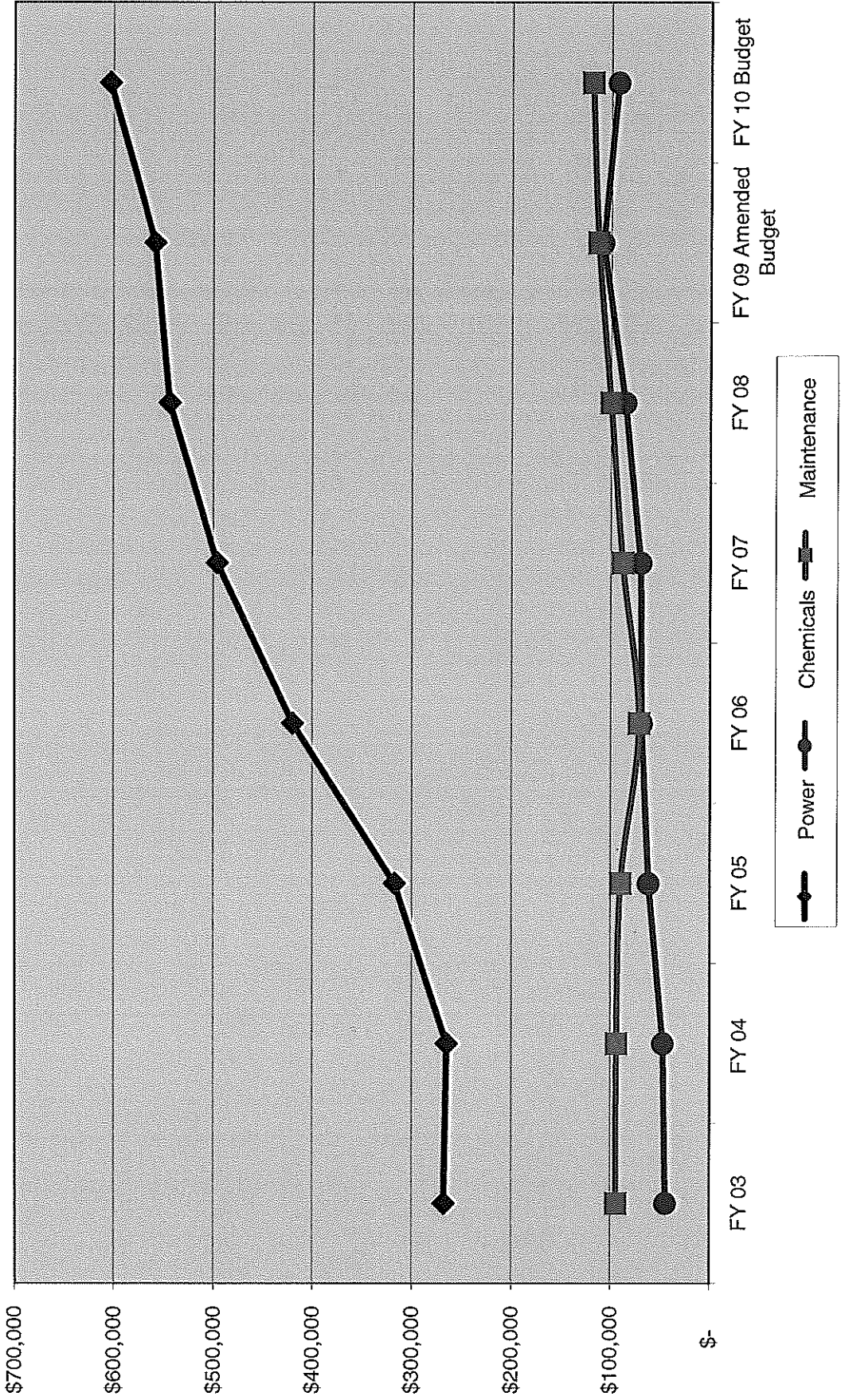
- General cost increases of goods and services
- Electricity cost increases – extreme
- Salary increases to serve growing number of customers

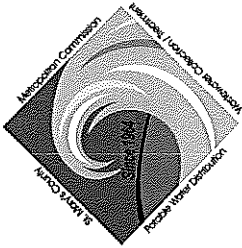
Growth in Sewer Expenses



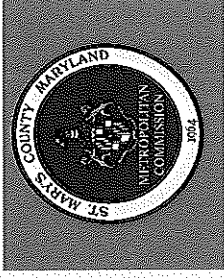
Power
 Chemicals
 Sludge Removal Expense

Growth in Water Expenses





St. Mary's County Metropolitan Commission



PROPOSED SEPTAGE HAULER RATES

Per 1,000 Gallons

	CURRENT	PROPOSED	INCREASE
Septic Tank Waste	\$59.33	\$65.61	\$6.28
Porta Potty Waste	\$71.41	\$74.38	\$2.97
Grease Trap Waste	\$119.39	\$234.93	\$115.54

Why does it cost more to treat septage waste?

- Biochemical Oxygen Demand or BOD affects the cost of treating sewage.
- The higher the BOD the higher the cost to treat the waste.
- BOD in septage waste is 23-85 times the strength as that of raw sewage.

BOD in 1,000 Gallons

	LBS	STRENGTH
• Raw Sewage	1.50	1.00
• Septic Tank	34.46	22.97
• Porta Potty	38.85	25.90
• Grease Trap	126.74	84.49

Reason for Increase

- Cost of treatment for raw sewage increased from \$2.44 to \$2.74 per 1,000 gallons
- Current rates do not reflect actual treatment cost for Porta Potty and Grease Trap Waste, these rates were held below cost in the current fiscal year.
- The proposed increases for Porta Potty and Grease Trap Waste are intended to reflect the true cost of treatment.

Capital Improvement Budget

- MetCom Capital Improvement Projects
- Used to determine both:
 - 1) Capital Contribution Charges (one time charge at time of connection)
 - 2) System Improvement Charges (monthly charge)
- CIB for FY10-FY14 maintains existing rates

Capital Cost Categories

- Capital Contribution Charges cover cost of projects for extensions of water and sewer lines, wastewater pumping stations and new facilities undertaken for the primary purpose of serving new customers.
- System Improvement Charges cover the cost of projects for the upgrade and replacement of existing facilities and systems.

St. Mary's County Metropolitan Commission

Capital Improvements Budget
FY 2010-2014 Sewer

Project Name	Project ID	Prior Years	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	Totals
Replacement								
Chancellors Run Rd Realignment	8-47SW	\$52,563						\$52,563
Great Mills Rd StreetScape (Coral Dr to St Mary's Sq)	8-48SW	\$41,561	\$1,670,199					\$1,711,760
I & J Sewer Replacement & Upgrade (10yr)	SM0906	\$100,000	\$125,000	\$87,000	\$72,000	\$100,000	\$100,000	\$684,000
Navy Reverse Siphon Replacement	8082SR	\$50,030	\$241,500					\$291,530
Pax Park Sewer Replace-Ph 1 (Counties 2A)	8-33-S	\$562,745						\$562,745
Pax Park Sewer PH 2 (Balance of community)	8091SR			\$350,000	\$4,390,863			\$4,740,863
Pax Park Sewer House Connections- BCC	8112SR			\$981,450				\$981,450
Piney Point Sewer Rehab	5-8-S	\$153,407	\$925,750					\$1,079,157
St. George's Island Force Main Repairs (flushing connections)	5101SR		\$125,500					\$125,500
St Georges Park Sewer Sys Improvements	5-9-S	\$133,407						\$133,407
Manhole Rehabilitation	SM0905	\$80,000	\$65,000	\$87,550	\$90,177	\$92,882	\$95,668	\$631,277
Wildwood Manhole Rehabilitation	SM0904	\$91,000						\$91,000
Forest Run WWPS Dry Pit Submersible Pumps & Variable Drive Control	SM0903	\$65,000						\$65,000
Macerator for California Run WWLS	SM0902	\$60,000						\$60,000
MTWRF Dewatering Conveyor Replacement	MT1014		\$100,000					\$100,000
Two Chopper Pumps for MT Digesters	MT0901	\$75,000						\$75,000
MTWRF Digester Repairs	8102SF	\$100,000	\$2,489,422					\$2,589,422
Forrest Run FM Relocation	8091FM		\$405,000					\$405,000
Shangri-La and South Essex Dr Sewer Rehab	8111SR			\$451,800				\$451,800
Navy Interceptor Rehab and Enlargement	8122SR				\$3,000,000			\$3,000,000
Bay interceptor Relining	8121SR				\$1,560,000			\$1,560,000
FDR Blvd Interceptor Relining	SM0907		\$32,500					\$32,500
Subtotal =		\$1,564,713	\$6,199,871	\$2,282,800	\$9,133,040	\$192,882	\$195,668	\$19,568,974

Project Name	Project ID	Prior Years	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	Totals
Pump Stations								
Piney Point WWPS Expansion	5081SR	\$550		\$345,000	\$1,845,750			\$2,191,300
Great Mills WWPS Upgrade	8081SS	\$30	\$138,000	\$1,052,080				\$1,190,110
Lex Park WWPS Replacement	8-30-S/AS/BS	\$1,888,300						\$1,888,300
Subtotal =		\$1,888,880	\$138,000	\$1,397,080	\$1,845,750	\$0	\$0	\$5,269,710